

Econ.,
Moral-
Econ.
zza in
Giorn.
ctions
sés et
n. des

THE
QUARTERLY JOURNAL
OR
ECONOMICS

JANUARY, 1894

ANALYSIS OF THE PHENOMENA OF THE
PANIC IN THE UNITED STATES
IN 1893.

THE year immediately preceding the financial crisis of 1893 did not present symptoms or indications of approaching panic which generalizations from the history of preceding business crises in the United States had declared should be observable at such a time.

A summary in a recent publication* of what have been regarded as essential, underlying conditions of approaching panic enumerates wonderful prosperity (as indicated by numerous enterprises and schemes), a rise in the prices of commodities, of land, and of houses, an active demand for workmen, lower rates of interest, a general taste for speculation ("in order to grow rich at once"), growing luxury leading to excessive expenditures, "and a very large amount of discounts and loans and bank-notes, and very small reserve in specie and legal tender notes, and poor and decreasing deposits."

* *A Brief History of Panics and their Periodical Occurrence in the United States.* By Clément Juglar. G. P. Putnam's Sons, New York. 1893.

Panics in business communities may be divided into two classes, (1) commercial and (2) financial. The author rejected the notion that there was any basis for presuming a purely commercial panic imminent, for which he had abundant data; and by his own rule, based on preceding financial disturbances, felt himself obliged to predict as follows:—

The fact that an analysis of the bank returns to the Comptroller of the Currency shows that available resources (capital, deposits, surplus, and undivided profits), as compared with demands (loans and discounts), are good and growing, considered in regard to the other signs* indicating prosperity, . . . justifies the prediction of the steady development of a prosperous period.

The foregoing was written apparently six or eight months before the crash in industrial securities in May, 1893, with which the panic made its formal appearance in the United States. Evidently, then, the results of elaborate investigation into banking statistics from 1811 to 1892, covering eight panic periods, showing sharp checks in the growth of deposits coincident with continued free expansions of loans just prior to financial crises, must be regarded as not entirely trustworthy indications.

Yet, be it observed, taking the years 1871 to 1874 inclusive, banking returns fell quite within the rule. Aggregate loans increased 10 per cent. between March 18, 1871, and February 27, 1872, while deposits increased only 5 per cent. In the following year loans increased 8 per cent., but deposits only 7 per cent.; and in the (panic) year 1873-74 loans gained 2 per cent., while deposits decreased 9 per cent. Again, in the years 1882 to 1885, inclusive, a like exhibit is made. Loans increased in volume 5.7 per cent. within the twelve months ending March 18, 1883, and deposits fell off 3 per cent. The next year loans gained 5.7 per cent. to March 7, 1884, two

* Those indicating improbability of impending commercial panic.

months prior to the outbreak in Wall Street, during which period deposits gained only 8 per cent. In the following year loans went off 6.7 per cent. and deposits 5 per cent. But, if one contrasts the annual movement of bank loans and deposits during five years, ending with the autumn of 1892, similar "indications of approaching financial panic" will not be discovered.

	<i>Per Cent. of Increase.</i>	<i>Loans.</i>	<i>Deposits.</i>
Year ending February 26, 1889,	7.6	8.2	
Year ending February 28, 1890,	8.2	9.0	
Year ending February 26, 1891,	4.5	.4	
February 26, 1891, to March 1, 1892,	6.0	15.0	
March 1, 1892, to September 30, 1892,	6.0	4.0	

While loans were expanding regularly, the like was true of deposits, with one exception, which was not enough to warrant belief in impending business disaster, when viewed in contrast with the more rapid rate at which deposits increased when compared with loans and discounts between March, 1891, and October, 1892.

This compels the rejection of preceding generalizations of indications of approaching financial panic as insufficient, and points to the necessity for an extended examination into the features of the business convulsion through which we have recently passed, having in view an accumulation of data and characteristics of phenomena of this class, which may assist in making a broader and more comprehensive generalization.

I.

The years 1885 and 1886, following the comparatively restricted financial disturbance of 1884, comprised a period of enforced economy and recuperation. Fraudulent banking methods had resulted in heavy failures, and precipitated a crash in May, 1884, carrying down institutions which might otherwise have remained solvent. These

disasters dragged after them a large number of commercial concerns, and, owing to the existence of over-extended credits complicated with the pernicious practice of dating bills ahead, brought about a panic in commercial circles which required two years to overcome.

Beginning in 1887, there followed three years of moderate revival. Railroad building increased, and the volume of trade gradually expanded. During this period British investors became interested to large amounts in South African gold mining enterprises and in large undertakings for the construction and development of public works in the Argentine Republic and in Australia. In France speculation in tin, copper, and sugar, assumed such vast proportions as to affect and therefore attract the attention of the public in all parts of the civilized world, thus tending to emphasize at home and abroad the injudiciously extended investment of capital in this the preceding period of trade expansion. Never since the resumption of specie (gold) payments in the United States in 1879 had the so-called free silver party been idle; and in 1890 the outcome of the controversy between the single gold standard party and the "friends of silver" resulted in the compromise measure in Congress known as the Sherman Law, by which the government was required to purchase \$4,500,000 of silver each month. The high pressure of industrial production, abroad as well as at home, was, moreover, stimulated in 1890 by the passage of the McKinley tariff act, the former owing to an endeavor to turn out and export to the United States a maximum quantity of products prior to the going into operation of the higher tariff, and the latter in anticipation of a wider home market, due to increased import duties. The calendar year 1890 presented, therefore, a flood-tide record as to the volume of general trade in the United States.

One of the first evidences of approaching reaction was felt in England in 1890, on the realization of the practical

bankruptcy of Portugal, though this was overlooked in the onward sweep of the then more conspicuous evidences of prosperity. But the collapse of booms in South African gold mining properties arrested attention, as the results were severe losses to many thousand investors of moderate means, thus taking away from financial London an important prop to investments. The collapse of the boom in Argentine securities, owing to national, State, and municipal governments in that country finding themselves unable to carry their obligations, proved a staggering blow to the English financial world, practically dragging down the great house of Barings. This reflected itself in Wall Street, where the economic function of organized speculation is to discount and register future values of investment securities. While the puncture of the so-called Australian boom naturally intensified the shock to British and indirectly to American capital, it was by no means so disastrous, because the greater portion of investments there suffered relatively smaller actual loss than those in the Argentine Republic and South Africa, being converted into longer time, but less depreciated obligations. Leading railway securities traded in at the New York Stock Exchange declined sharply, the months of November and December in 1890 presenting marked panic symptoms in Wall Street.* Lowest quotations were reached in most instances prior to the close of the year, as lowest quotations in 1891, showing a very general though moderate enhancement in values. The action of the Bank of England in going to the rescue of the Barings prevented what almost unquestionably would have proved a more disastrous panic, not alone in England. Concerted action by strong financial institutions here and abroad in taking care of outstanding obligations in the business world, followed here by the two largest wheat crops on record,—coincident with Russian and French deficiencies

* For comparative quotations, see the table on p. 253.

in wheat harvests,—coupled with the momentum remaining from the unprecedentedly prosperous commercial year 1890, aided in the process of reorganization and rehabilitation which marked 1891 and 1892. The latter year was characterized by restrictions of mercantile credits and by wide-spread efforts at settling old accounts. There were many attempts at extensions of trade, but they were not the rule. The "silver question" had not been allowed to sleep during the two years of enforced industrial and commercial intrenchment, and by the close of 1892 was prominent in legislative and other discussions involving the public welfare. The practical withdrawal of London investors from Wall Street and as investors in or subscribers to American enterprises had, even then, long been attracting attention; yet so promptly had remedial measures been put into operation during the financial disturbance of 1890, and so steadily had shorter credits and the process of paying old debts and contracting fewer new ones been enforced for nearly two years, that, while "panic" had been frequently prophesied as the outcome of indefinite continuation of the policy of compulsory monthly purchases of silver, few, if any, expected an early approach of such a result. No one predicted such in the near future, and some of the best informed refused to recognize the panic when it had actually arrived.*

The effects of the withdrawals of British speculative investment funds had been viewed with apprehension ever since the Baring embarrassment. Many efforts have

*The president of the Chemical National Bank, New York, May 5, said to a representative of *Bradstreet's*, *apropos* of the crash which had taken place in Wall Street: "It is rather an ungracious act to say, 'We told you so'; but the fact nevertheless remains that the present financial emergency has been directly caused by the distrust engendered by the unsatisfactory silver situation. Of course, unreasonable and unwarranted inflation of some industrial securities has contributed to render the present condition apparently more critical. Liquidation has assumed, therefore, an aspect almost startling in some directions. All things considered, however, the recent immense shrinkage has done good; and the situation at present leads me to believe that the storm is passing over and that clearer skies are in sight."

been made to approximate the total sum withheld from investment in the United States through disapproval or fear of the effect of our compromise silver policy, but without satisfactory results.* Such withdrawals and withholdings of foreign capital have been variously estimated at not less than \$500,000,000 between the passage of the Sherman silver law in 1890 and the beginning of the heavy export movement of gold in 1893. As expressed in a New York financial newspaper,† London continued to look with indifference on our securities, as "attested by the utter lack of buying of stocks for foreign account, which has shown itself since the Baring disaster abroad and the adoption of the Sherman silver act here."

The year 1893 opened with many expressions of confidence in a prosperous future of general trade, but with some freely expressed doubts. The writer recalls an illustration in a call received by him in March, 1893, from the heads of a New York branch of a large British manufacturing concern. They wanted to learn the facts, so far as possible, bearing on the probability of an improvement in the condition of general trade in the United States, or the reverse, during the summer and autumn of 1893. What was told them did not include a prediction of panic,—then only six weeks distant,—but reasons were presented for believing the volume of trade would not expand, that the industrial output would decrease, that hours of labor would be curtailed and wages reduced, that credits would be restricted, and that interior merchants would buy for near-by wants only. Evidently, judging from inquiries of this nature, there was, among

* In an address before the American Bankers' Association in Chicago, October, 1893, Mr. Joseph C. Hendrix, president of the National Union Bank of New York, said, "The Bland act, followed by the Sherman act, with a free-coinage party never idle in Congress, drove away the foreign capital that Australia has since squandered."

† *Bradstreet's*, July 22, 1893.

bankers, note brokers, large manufactures and dealers, a manifest uneasiness as to what the new year would bring forth. In March, too, the stock market showed extreme nervousness. Gold was going abroad freely, and banks were finding it important to be more conservative in making discounts as well as collateral or stock market loans. Meanwhile the cloud which hung over the trade situation darkened. Great Britain was feeling the pinch, not only of Australian, Argentine, and South African financial embarrassments, but of decreased purchases from those countries, as well as from Chili, Uruguay, and Peru. Our imports of merchandise had been exceeding our exports in value; and the probable gold requirements of Austria, France, and England, served to intensify anxiety on the part of those who kept themselves abreast of the situation.

With the approach of April the necessity for a considerable accumulation of ready funds to meet the customary interest and dividend disbursements and commercial settlements showed itself in panicky symptoms in the New York stock market, though no serious difficulties presented themselves. The gold clause in contracts made at New York was being insisted on in the second week of April, marking growing apprehension of lenders lest continued accumulation of silver in the treasury should result in depreciating the standard of value.

The success in tiding over April 1 and its period of disbursement, followed by shipments of currency to New York from the West, availed little in checking the spirit of unrest, representatives of foreign lenders declining at one time during the third week of the month to make loans at all in the New York market. A temporary feeling of relief was caused late in April by the formal announcement from the Treasury Department that no discrimination would be made between legal tender and treasury silver notes, and it was accompanied by a temporary ces-

sation of gold exports. But this was offset by the prospect that the government would be compelled to sell bonds to buy gold to maintain the \$100,000,000 treasury gold reserve, with which to guarantee the payment of the greenback treasury notes, and by domestic trade conditions calling for the shipment of funds from New York to the West. The sensitiveness of the public to the likelihood of cutting into the \$100,000,000 treasury gold reserve was illustrated by the Boston banks furnishing \$5,000,000 to the National Treasury in the last week of April, at which wide-spread commendation was expressed.

The crash of prices of industrial securities in Wall Street in the opening week of May was severe, far exceeding in its direct and indirect effects the panic in the stock market in November and December, 1890, though the losses and disturbance in this class of securities—"sugar," "lead," "whiskey," and "cordage"—were only the beginning of the end, the first stones to be pulled from the structure which thereupon came crashing down. Even then, with the panic here, few recognized it.

II.

Bankers at New York, as a rule, were disinclined to express themselves freely as to the severity and probable outcome of the financial disturbance, evidently fearing it would cause unnecessary alarm. The public prints were therefore furnished with opinions that the "clouds" would no doubt soon pass away, while the fact that the "worst was over in the Argentine Republic," where the premium on gold had fallen from 375 eighteen months ago to 280 by Christmas in 1892, was cited as evidence that the tide had turned. The charge that the Sherman silver law of 1890 was primarily responsible for discrediting our currency by drawing capital from American investments

was becoming more common. Treasury gold reserves* dropped below \$100,000,000, and many shrewd observers sought to explain away the outbreak of the panic in "industrials" as merely a healthful liquidation of over-capitalized securities.

MAY. The features in financial and commercial communities during this the first of the six months in which the panic of 1893 may be said to have run its course are pronounced. Following the liquidation of industrial securities, almost all stocks listed at the New York Stock Exchange went off in price,† bankers called old loans, refused new ones except on a much larger margin of collateral, and began scrutinizing commercial paper offered for discount as seldom ever before. They announced that only customers of the banks would be "taken care of"; and this was naturally followed by a restriction of commercial credits by manufacturers, commission merchants, and jobbers. So promptly and generally were these measures adopted that many business concerns were unable to shorten commercial sail to meet the gale, and failed, the record of business embarrassments ‡ early in this month increasing on an average of from 8 to 16 daily throughout the country, as contrasted with like periods in the preceding year. It should be noted, however, that relatively

* One of the earlier unfavorable psychological influences was the intrenching on the \$100,000,000 of gold long agreed upon as the minimum reserve with which to guarantee the payment of the treasury notes. This took place in April, as shown in the following totals of gold reserve in the National Treasury at dates named:—

April 1, (over) \$100,000,000	August 3, (over) \$100,000,000
May 1, \$97,011,330	September 1, \$96,000,000
June 1, \$96,048,640	October 1, \$95,582,000
July 1, \$95,485,413	November 1, \$94,334,000
August 1, \$93,202,933	

† For a record of the monthly range of prices of some of the more conspicuous securities referred to, see the tabular exhibit on p. 253.

‡ The number of business failures each week throughout 1893 will be found in the table on p. 254.

few failures took place in Wall Street, which is explained by the operations of the Stock Exchange Clearing-house, established less than one year before. About half a dozen failures occurred, but the adjustment of losses in connection with shrinkages of values was carried out by stock deliveries involving relatively small sums, the workings of the system being a most important lesson as to the value of modern methods of business.

At the West failures in business were becoming conspicuous, notably among banking institutions; and throughout the country the proportion of failures of commercial enterprises possessing large capital was much larger* than usual. While country merchants had begun to buy for near-by wants only, the totals of bank clearings, covering transactions settled with checks, drafts, etc., at fifty-four cities, had not begun to decrease, for the reason that, owing largely to the existence of credits, the records of clearings, as a rule, indicated the situation of things as they stood a month or six weeks before. Time and call loans, however, at New York, Boston, and Chicago, had advanced sharply,—more noticeably at New York.† In the third week of May the appointment of a receiver for the Northern Pacific Railroad further depressed the stock market, while additional bank failures in Australia affected the London money and stock markets almost as unfavorably as did the Baring failure in November, 1890. An outcome of this was a weaker share market at New York, and the beginning of a general appreciation that the prevailing financial and commercial disasters were to extend well into, if not through, the summer. What appeared to the general public as a particularly ugly feature of the situation was the strength of foreign exchange, gold persisting in going abroad in large sums, an average of

*About 17 per cent. of the whole number as against 9 or 10 per cent. in prosperous seasons.

†See the table of rates in the three cities, on p. 254.

about \$1,000,000 daily. The rate for sterling exchange * was from $1\frac{1}{2}$ to $1\frac{1}{4}$ per cent. on the pound sterling, higher than in a like period in 1892 during the greater portion of the month.

The pressure in London to get gold was due to the stoppage of remittances by Australian banks. The latter had been lending their enormous English deposits on land and personal securities. This money had gone into land and other private and public schemes for "development," which in many instances took on an inflated character, and in others became veritable booms. With the inevitable collapse came failures of banks and the stoppage of customary remittances of gold to London. English money and share markets were almost panic-stricken, the Bank of England raised its discount rate, and gold promptly went from the United States. About one-third of the deposits of the Australian banks was by British depositors; and the effect of tying it up indefinitely was serious, although less so than if it had not been practically loaned for fixed periods.

In the last week of May banks West and North-west throughout the United States began calling on New York and other Eastern financial institutions for funds, and banks at the East more uniformly adopted the policy of making few, if any, new loans on commercial paper. The reorganization of Richmond Terminal appeared as driftwood in the stream of events, and bank clearings totals † finally began to register smaller volumes of general trade from week to week; but at the close of the month the stock market, both at New York and London, showed more confidence.

* The New York rates for sterling at the close of each week in 1893 and 1892 are given in the table on p. 254.

† The course of general trade (shown in the table on p. 255), indicated by bank clearings totals, weekly, in 1893 and 1892, is given elsewhere in connection with this article.

JUNE 1-10. Favorable features during the first third of the month of June were few, including only what was to be gathered from a continued feeling of comparative ease in the London market, resulting in a check to our exports of gold,* an unexpected increase in railroad earnings for May, and the announcement that an extra session of Congress would be called September 15, to take action on the then loudly demanded repeal of the Sherman silver act.†

The reverse of the picture included a further visible decrease in the volume of trade East, West, and Northwest, but relatively less South, heavily decreasing bank clearings, the banks still calling loans and restricting credits to such an extent that the open market for commercial paper‡ at New York had practically disappeared. Call loan rates, it is true, were easy; but the class of securities demanded, both as to quality and amount, was far above the normal. Time loans could rarely be obtained. An incident of this period was the disappointing attendance at the World's Fair. The depression in business circles showed itself in lower prices;§ and the effect on manufacturing industries was observable among iron furnaces, mills, and foundries, then beginning to work on

* Although no permanency was looked for.

† In the so-called silver States, in some Granger States, and in portions of the South sentiment was largely averse to the repeal of the measure.

‡ Early in 1893, as in periods of moderate prosperity, commercial discounts at New York ranged from $3\frac{1}{2}$ to 4 per cent., for best paper to 6 per cent. During May discounts advanced steadily from 4 to 15 per cent., the bulk being at from 7 to 10 per cent. During June, as stated, the open market for commercial paper at times disappeared, there being no demand from brokers or others; and this continued true during July and August. The banks, in most instances, carried paper for regular customers, and made moderate advances to aid in carrying on business and contracts; but new enterprises had to be abandoned very generally, owing to inability to discount paper. By the middle of October the discount rate at New York had reacted to 8 per cent., and by October 28 was down to $5\frac{1}{2}$ to 6 per cent. The pressure began to ease up materially during September.

§ See the table on p. 256, giving comparative quotations of staples.

orders. Enormous sums of money (\$5,000,000 in currency in one week) were shipped from New York to Chicago, so great had become the tension at the West, owing to inability of banks there to meet trade demands.*

JUNE 10-30. Increasing business failures, continued restriction in business, decreasing clearings totals, smaller totals of bank reserves at New York † and at other financial centres, and of gold in the National Treasury, declining prices, increasing rates of interest, and the old difficulty in effecting commercial discounts, remained conspicuous features of the situation during the middle of June, supplemented by what was styled "hoarding money" by the banks, notably at Chicago.‡

The clouds thickened within a fortnight and the New

* . . . "Early this year a large proportion of the millions of foreign money employed for speculative investment in American securities were withdrawn, our shares being by that act practically dumped into our laps, with a request to pay for and keep them. Banks here were called on to help take care of this unrecorded class of importations, and began to realize that for some time to come our available supply of funds would be smaller. This was accompanied by heavy exports of gold, owing in part to the smaller value of our exports of breadstuffs and cotton in the last fiscal year, and in part to practical purchases and exports of gold for the account of Austria, Germany, and other European nations. Private money-lenders, capitalists, and other individual depositors in banks had ere this begun to draw out balances, and place them in safe-deposit vaults, to insure their availability.—"Phenomenal Aspects of the Financial Crisis," in the *Forum*, September, 1893.

† See detailed report of weekly totals of New York bank deposits loans and reserves, by weeks, given on p. 255.

‡ In an address before the Boston Bankers' Association the Comptroller of the Currency, Mr. James H. Eckels, said: "Between May 4 and October of this year the withdrawals in individual deposits in national banks alone were \$299,000,000, and of banks and bankers' deposits to the amount of \$79,000,000, — a total of \$378,000,000. To meet this strain, the banks were compelled to call in loans, thus depleting the resources of active trade to the extent of \$318,000,000, and from banks and bankers to the amount of \$51,000,000, while to their borrowings was added \$37,000,000. In the light of these figures, apart from the statistics of a like nature which could be added from State, savings, and private banks, who can doubt but that the shrinkage in deposits on the one hand, contributing only to the fund of hoarded money, and the calling in on the other of loans necessitated by the demands of depositors withdrawing such vast sums from the activities of business, contributed more than all else to the stagnation from which we have suffered?"

York banks, and shortly after those in Philadelphia, began the issue of clearing-house certificates, based on securities deposited by banks, members of the clearing-houses, with which to pay bank balances ordinarily paid in cash, thus marking the extreme scarcity of funds. A corresponding amount of money was liberated for commercial use.* The New York banks had by June 16 been shipping west an average of a million a day for two weeks, cotton and woollen goods manufacturers were beginning to reduce outputs, and work only on orders, prices of leading food and other products continued their downward course, foreign trade totals were growing smaller, and in all directions (except at the South, which, strangely enough, succumbed to the ravages of the panic more slowly than other portions of the country) general business continued on the down grade. Stock market prices followed on a report that India was about to restrict the coinage of silver. It was on June 13 that the Secretary of the Treasury issued a statement bearing on the wide-spread discussion of the operation of the Sherman silver act of 1890, in which he pointed out that, if the policy of the silver purchase law should be continued and the Treasury Department compelled to issue bonds or otherwise increase the interest-bearing public debt, this would be done for the purpose of procuring gold with which to pay for silver bullion under the act of 1890.

By June 24 the New York banks had shipped \$23,000,000 to the West to relieve the demand there, about \$2,500,000 being sent to the Pacific Coast, where the panic had temporarily centred; but this failed to prevent the suspension of a score of banks in California. In Milwaukee, Minneapolis, St. Paul, Boston, and Providence extreme tension was being experienced in the money markets. A small importation of gold, \$500,000,

* For details as to the issue of clearing-house certificates, see the Note at the end of this article, on p. 145.

failed to attract attention, and New York stock market quotations at the end of June went off again on higher sterling exchange rates, and the financial disturbance on the Pacific Coast. Silver bullion* reacted again on the rumored abandonment of free coinage by India.

The general business situation at the end of June was a trying one. There were prospective disbursements on July 1, which hung like lead on the money market at the metropolis. The latter sent \$4,000,000 west within six days prior to July 1, silver dropped from 81 cents to 62 cents per ounce on the closing of the India mints to free silver coinage, and the American market for silver was "paralyzed," causing the Colorado smelters and miners to stop work and discharge thousands of employees. Detroit suffered from one of the localized panics which were appearing at intervals throughout the country, and the Salt Lake, Charleston, and Albuquerque clearing-houses ceased operations. In the New York stock market purchasing demand seemed to have disappeared; more industrial establishments were working only on orders, and many had shut down altogether, the only bright ray through it all being a temporary cessation of outflows of funds to the country from New York.

JULY 1-15. The earlier half of July brought a continuation of the improvement in feeling in financial circles, as it was found that customary disbursements and commercial obligations had been met without serious difficulty, and New York banks discounted a little more freely for the time. This was in marked contrast with the situation at Chicago, Philadelphia, Boston, Providence, and other cities, where extreme stringency continued unabated. The total amount of clearing-house certificates taken out by banks at the metropolis amounted to \$22,000,000; and encouragement followed the retirement of \$100,000 in certificates, in the (mistaken) belief

* See prices of silver bullion in the table on p. 256.

that the tide was about to turn. At this time savings-banks began to feel the effects of withdrawals of deposits, due evidently to an ill-defined but wide-spread fear of approaching insolvency among this class of institutions, because of the already unprecedented number of and loss from failures of national, State, and private banks.* Money was being hoarded in safe-deposit boxes

* During ten months of 1893 nearly 600 banks were forced to suspend, which, with those which resumed or did not resume during that period, had assets and liabilities as follows:—

	No. of Banks.	Assets.	Estimated Liabilities.
Total New England,	14	\$9,751,000	\$11,798,000
Total resumed,	1	241,000	149,000
Total not resumed,	13	9,510,000	11,656,000
Total Middle,	29	10,061,284	10,963,979
Total resumed,	3	2,772,727	1,932,061
Total not resumed,	26	7,288,557	9,031,928
Total Western,	214	55,932,536	47,828,196
Total resumed,	66	30,634,986	20,905,613
Total not resumed,	148	25,307,550	26,831,585
Total North-western,	147	50,118,275	49,474,567
Total resumed,	46	18,163,780	9,817,974
Total not resumed,	101	31,954,495	39,656,593
Total Southern,	98	24,878,267	22,630,596
Total resumed,	22	13,359,057	9,066,217
Total not resumed,	76	11,517,210	13,583,379
Total Pacific Coast,	74	30,997,152	25,311,639
Total resumed,	29	15,153,494	11,528,136
Total not resumed,	45	15,843,658	13,783,503
Total Territories,	10	1,547,000	1,179,812
Total resumed,	4	629,000	353,000
Total not resumed,	6	918,000	826,812
Grand total United States,	594	182,883,514	169,185,791
Grand total resumed,	171	80,944,044	53,986,991
Grand total not resumed,	423	102,339,470	115,318,800

It is found by examination of data published in *Bradstreet's* (November 18, 1893) that the effect of the panic on financial institutions was not only much more severe than in any other single department of business, "but was probably more disastrous than any similar series of banking embarrassments when the amount of liabilities of suspended banks is considered, not excepting even the financial disturbances of 1857 and 1873. But it remains to be explained that, while nearly 600 banks (including those in South Dakota) and banking institutions were forced to suspend between January 1 and October 31, 1893, owing \$169,043,791, these banks at dates of suspension were in possession of

and elsewhere, as suited the purposes of bankers, capitalists, and others having surplus funds; and no currency was coming East, notwithstanding previous heavy shipments West and South-west. This locking up of funds introduced a new and serious element of disturbance.

Officials of savings-banks, more noticeably, began to prepare for runs by securing loans where possible, and, where not, by selling United States bonds and other high-class securities to increase supplies of ready money. Interest and discount rates advanced;* and panicky feelings were observable among savings-banks depositors, induced in part by these efforts to meet expected demands. So scarce had currency become that some New York clearing-house banks presented drafts on the Sub-treasury † for payment, instead of sending them through the clearing-house, of which the Sub-treasury was (and is) a member. To add to the pressure, Chicago banks, which all along refused to resort to the issue of clearing-house certificates in order to utilize "over the counter" more of their cash, called again on New York for currency; but at this time Eastern banks were unable to respond, and, with runs on Kansas City and Denver banks, the feeling in financial circles was one of extreme depression. Weekly bank clearings totals were smaller than at any time since 1888; and iron, steel, woollen, cotton, shoe,

assets to the amount of \$183,185,389, indicating that in a large number of instances it was not failure, but the outcome of an unreasoning insistence, that perfectly solvent institutions liquidate on demand. A result of this peculiar phase of the financial panic of the summer of 1893 is seen in numerous and early resumptions of business by banks which had been forced to close their doors while perfectly solvent."

* See details of variations of time and call loan rates, in the table on p. 254.

† By this means they obtained ready cash, but the credit balances of the Assistant Treasurer (which have to be paid in cash) in daily settlements were unduly increased. Several of the leading banks in the clearing-house furnished the currency to meet this payment, while the Sub-treasury met the demands by refusing to pay currency and meeting drafts in gold. This checked the movement.

and glass industries were putting out fires and closing doors to an extent which caused general comment.

An indication of the extent of the financial depression early in July is found in the decline in prices of some of the more prominent railroad mortgages during the first half of the year.* Financial stringency had stopped investment demand, and lower values failed to attract investors. There was also no European demand for American bonds; and, as foreign holders were content to hold to investments in which they enjoyed the protection of "the gold clause," they were entirely out of the market.

JULY 15-29. The concluding portion of July brought no evidences of improvement, and it was apparent that the storm had not spent its force. The only favorable reports in financial circles were of moderately increased advances on wheat at San Francisco, with a temporarily easier feeling there, at New Orleans and New York, and the report that a large proportion of suspended banks in

* From *Bradstreet's*, July 8, 1893:—

Bonds.	Price Jan. '93.	Price June 30, '93.
† Atchison 4s,	81 $\frac{1}{2}$	77 $\frac{1}{2}$
Brooklyn Elevated 1st 6s,	110	114 $\frac{1}{2}$
† Canada Southern 1st 5s,	105 $\frac{1}{2}$	105
† Central of New Jersey Gen. 5s,	109 $\frac{1}{2}$	110 $\frac{1}{2}$
Chesapeake & Ohio 1st Cons. 5s,	108	106
Burlington Debenture 5s,	101 $\frac{1}{2}$	97
† St. Paul General 4s A,	90	84 $\frac{1}{2}$
North-western Gold 7s,	121	119
† Rock Island Extension 5s,	100 $\frac{1}{2}$	101 $\frac{1}{2}$
† Lake Shore 1st 7s,	117 $\frac{1}{2}$	117
Louisville & Nashville Cons. 7s,	111 $\frac{1}{2}$	108 $\frac{1}{2}$
Missouri, Kansas & Texas 1st 6s,	79 $\frac{1}{2}$	77 $\frac{1}{2}$
Missouri Pacific 1st 6s,	111	101
New York Central Deb. 5s,	107	105 $\frac{1}{2}$
Erie 2d 6s,	101 $\frac{1}{2}$	89
Northern Pacific Cons. 5s,	68	61
† Pennsylvania Co. 4 $\frac{1}{2}$ s,	106	107
San Francisco Gen. 6s,	106	110
Texas Pacific 1st 5s,	76 $\frac{1}{2}$	69
Wabash 1st 5s,	102 $\frac{1}{2}$	96 $\frac{1}{2}$
† West Shore 4s,	101 $\frac{1}{2}$	100

† Including interest due July 1.

Colorado would be able to resume business and pay all demands. These advices were offset by further calls on the East for money by St. Louis and Denver, and by failures of banks at Louisville,—due to withdrawals of accounts by country institutions,—and others at Milwaukee, Spokane, and Portland, Oregon. Clearing-houses suspended operation at Hutchinson, Kansas, and at Helena, Montana; and commercial paper again went begging in nearly all larger cities. Mercantile collections were well-nigh impossible. There were \$7,000,000 sent West from New York without immediate effect being visible, while the announcement that the New York, Lake Erie, & Western Railroad would be placed in the hands of a receiver added to the weight of depression. Restriction of the regular monthly purchase of silver by the Director of the Mint, on the plea that prices of silver at New York were above a parity with those at London, served to direct attention to and discussion of the importance of repealing the Sherman silver law of 1890.

In the last week of July the stock market at New York was visited with a return of extreme liquidation, amounting to a renewal of panic, but without the excitement usually attending such a phenomenon. In the preceding week there had been a radical liquidating movement* in leading shares.

The net shrinkage of about twenty representative stocks from the average price at the highest quotations of the year, the average price in January and February, to July 26 was from 82 to 45, an average decline of 37 points in six months. In the Baring panic the average decline for a number of active stocks was only 20 odd points below the highest figures of 1890 in September, just after the passage of the Sherman silver law.

In industrial lines reports of shutting down of iron,

*Taking the lowest quotations in 1890 during November and December

steel, cotton, woollen, and other manufacturing concerns continued the order of the day, and many mercantile as well as manufacturing institutions were finding it difficult to procure funds from banks where they kept accounts to meet weekly pay-rolls. The attitude of banks which refused to cash checks (on balances to the account of customers) excited criticism and emphasized prevalent uneasiness. Absolute refusals to cash such checks were relatively few; but, as a matter of self-protection,—in fact, as a safeguard of the general commercial welfare,—banks, owing to scarcity of funds from causes previously referred to, were obliged to urge on customers the importance of checking out as little actual money as possible, and then only when absolutely necessary.

Mercantile failures had been increasing rapidly until the weekly totals reached a maximum of 85 to 90 daily

(the Baring panic) and the lowest quotations on July 18, the result is striking. A comparison of prices at the two periods is as follows:—

	Lowest, 1890.	Lowest, July, 1893.
Atchison,	23 $\frac{1}{2}$	17 $\frac{1}{2}$
Canada Southern,	48	43
Canada Pacific,	87	—
Burlington,	80	75 $\frac{1}{2}$
Chicago Gas,	23	52
St. Paul,	44	54
North-western,	98	94 $\frac{1}{2}$
Rock Island,	61 $\frac{1}{2}$	56 $\frac{1}{2}$
Omaha,	19	32
Lackawanna,	123 $\frac{1}{2}$	139
Illinois Central,	85	87 $\frac{1}{2}$
Lake Shore,	100 $\frac{1}{2}$	113 $\frac{1}{2}$
Louisville & Nashville,	65 $\frac{1}{2}$	51 $\frac{1}{2}$
New Jersey Central,	90	95
New York Central,	95 $\frac{1}{2}$	96 $\frac{1}{2}$
New Pacific Preferred,	55	19
Pacific Mail,	27 $\frac{1}{2}$	10 $\frac{1}{2}$
Missouri Pacific,	58	25 $\frac{1}{2}$
Reading,	26 $\frac{1}{2}$	13 $\frac{1}{2}$
Union Pacific,	40	17 $\frac{1}{2}$
Wabash Preferred,	15	13 $\frac{1}{2}$
Western Union,	71 $\frac{1}{2}$	74 $\frac{1}{2}$

In these stocks the shrinkage in value of their share capital as shown is \$265,000,000, "more than the aggregate silver production of the United States in the last five years."

as contrasted with an average not above 25 to 30 daily in like periods one year before; though it should be added that an extraordinarily large proportion were embarrassments of really solvent concerns, which were compelled to suspend,* owing to inability to make collections or to carry out engagements, because of what may be characterized as almost a dead-lock in business circles.

This situation is made clear by reference to domestic and foreign trade † indications, exports and imports, bank clearings and railway earnings;‡ an examination of which

* Failure statistics for the United States for six months during four years, as reported by *Bradstreet's*, are as follows:—

	Number failures.	Estimated assets.	Liabilities.	Per cent. assets to liabilities.
1863,	6,239	\$105,371,813	\$170,860,322	61
1862,	5,351	28,935,106	56,535,521	51
1861,	6,057	48,206,896	92,370,283	53
1860,	5,466	30,025,116	63,867,962	48

Nine months' totals, January 1 to September 30, are given as follows for like years:—

	Number failures.	Estimated assets.	Liabilities.	Per cent. assets to liabilities.
1863,	11,174	\$225,758,881	\$394,067,768	70
1862,	7,378	39,909,701	76,971,771	51
1861,	8,866	71,811,330	138,811,510	51
1860,	7,538	44,450,712	92,541,950	48

During preceding relatively normal years the ratio of assets to liabilities ranged from 48 to 51 per cent.; but in 1864 (panic year) the proportion of assets to liabilities was 55 per cent., because during periods of panic or extreme stringency of the money market many who may be regarded as solvent are obliged to suspend payments, in many instances forced to fail.

† See table on p. 232.

‡ Totals of railroad gross earnings by months in 1863 and 1862 are given in the following table:—

Months.	1863	1862
January,	\$55,860,000	\$55,100,000
February,	54,892,000	56,984,000
March,	61,591,000	58,632,000
April,	56,001,000	54,143,000
May,	65,018,000	60,314,000
June,	59,469,000	57,755,000
July,	56,894,000	59,720,000
August,	54,737,000	63,126,000
September,	58,192,000	64,917,000
October,	51,163,000	52,409,000

shows that the volume of business at the close of July had decreased to about one-half the normal at that season. Merchants were sending out fewer or no commercial travellers to secure fall trade, and receiving with disturbing frequency requests to cancel orders previously placed with them for autumn delivery.

In short, the end of July had brought no signs of near-by relief.

JULY 29 to AUGUST 12. Sales of government bonds by savings-banks and individuals in order to raise funds were taken advantage of by national banks at New York, which purchased a large amount, and used it as a basis of additional circulation with visible results in easier money, though only temporarily. The other favorable influence was the meeting of Congress August 7, in response to a call from the President for a special session to repeal the silver bill. This was looked on by a majority of the general public, as appeared from floods of petitions for such action from business organizations, as the beginning of action for the restoration of confidence in the standard of value* of money in the United States and the loosening of purse-strings at home and abroad, which, as declared, must precede a revival of prosperity. Savings-banks, by taking advantage of the "sixty-day clause," prevented serious runs, and were selling fewer securities; but money was still hoarded, and currency went to a premium at New York, where 1 to 3 per cent. was paid for notes and gold by bankers, merchants, and manufacturers.

*On December 4 the Comptroller of the Currency made the following statement in his annual report: "The financial situation of the past month was not the result of either a lack in the volume of currency, of which there is now a plethora, or a want of elasticity in the present system of issuing it, but arose from a loss of confidence on the part of the people in the solvency of the distinctively monetary institutions of the country. It is worthy of note and of serious consideration that at the very time the scarcity of currency for business purposes was at its height the country's volume of currency was increasing the most rapidly, and the amount per capita was much larger than in any recent year."

Considerable speculation in this lack of supply of currency took place, some brokers making a specialty of it. Silver dollars also brought a premium, as the demand for currency was more pressing than at any previous time, banks cashing checks, even for customers with ample deposits, only when absolutely necessary, and, in some instances, even then only in part.

This scarcity of funds prevented a market for New York exchange at other centres, and domestic exchange was not sold at New York. Some merchants having pressing bills to pay at the West bought the currency, and sent it there by express, notably Eastern purchasers of grain and provisions. For the first time probably, in a widely extended country having modern mercantile ramifications, in which ninety-five per cent. of the wholesale transactions is usually done on credit, general business throughout the United States was being done almost on a cash basis. As a result, commercial discounts were almost impossible to make, and sales of merchandise were of a hand-to-mouth character. At Philadelphia and Buffalo the expedient was adopted of issuing certified checks as currency, marked "Payable through the clearing-house only," which practice was adopted in some other cities. Embarrassments of Nashville banks added to the list of disasters of this nature; and the restriction of industrial production in all leading lines was more pronounced than ever, one investigation * into this phase of the situation reporting no fewer than one million idle industrial, mining, building, and other employees throughout the country contrasted with four hundred thousand similarly out of work at the period of greatest depression following the panic of 1884.

During this period about \$13,500,000 in gold was reported in transit for the United States, some of which was stated to have been purchased at from 1 to 2 per cent.

* *Bradstreet's*, August 12, 1893.

premium. Actual receipts of gold in the first half of August amounted to about \$10,000,000. A feature of gold importations was noted in purchases abroad of \$1,500,000 by Chicago capitalists and bankers, and \$600,000 by banks in Boston.

AUGUST 12 TO SEPTEMBER 2. The latter half of August continued most of the unfavorable conditions noted in the preceding fortnight, but at the close brought evidences of the beginning of the end.

Country banking institutions and industrial establishments were still paying 1 to 3 per cent. premium for currency in the third week of August; and the use of certified checks as currency was more general, though there were fewer failures in business circles. The Treasury Department arranged to release silver dollars at the New Orleans mint to aid in moving the cotton crop, on the deposit of currency with the Sub-treasury at New York, which served to help the movement of that crop materially. During the week \$10,000,000 in gold was received from, and \$8,000,000 more was ordered in Europe. In the following week, while New York banks would not make new loans, they were granting renewals more freely, although commercial discounts were obtained with difficulty except at a few Western cities. But there was less hoarding of money,—a distinct gain,—and the stock market reflected this with a more cheerful tone. The premium on currency had declined to $\frac{1}{2}$ to $\frac{1}{4}$ per cent. at New York; and there were fewer offers to pay a premium for gold in Europe, although the Bank of England rate had been advanced to 5 per cent., to prevent exports of gold to the United States. A check to the payment of premiums for currency was administered by the banks refusing to cash checks for those who desired to draw out funds to sell at an advance over face value. The receipt of \$6,500,000 in gold from Europe, and the engagement of \$8,000,000 more, were followed by the announcement

that Chicago and other Western banks had arranged to provide for expected requirements to move the cereal crops.

Resumption of business by suspended banks marked the concluding week of August, and hoarding of funds was less noticeable, New York exchange rates at the West were lower, savings-banks announced that not more than 10 to 20 per cent. of withdrawals of deposits demanded (under the sixty-day clause) were to be called for, the premium on currency fell to $\frac{1}{2}$ to $\frac{1}{4}$ per cent., the offers of a premium for gold in Europe disappeared, and \$7,500,000 in gold was received at New York from abroad. Add to these influences the growing belief that the Senate would pass the bill to repeal the silver purchase bill of 1890.

In mercantile circles prices of staples* were still greatly depressed, collections were as difficult to make as ever, and woollen manufacturers reported many cancellations of orders. The bank clearings total for the week touched low-water mark, reflecting the general situation a few weeks earlier, when the volume of business was only about one-half the normal. But it was evident the clouds were breaking, for more travellers were being sent out, indicating a revival of confidence, and there were not wanting signs of a tendency on the part of general trade to increase.

SEPTEMBER. September brought more confidence in the stock market, which may be noted by reference to the accompanying exhibit of fluctuations in prices of securities; also halting advances followed by a settling down in the volume of general business and of industrial output.

The premium on currency disappeared, New York as well as other bank deposits were increasing,† funds were going East from the West, larger Eastern money markets were easier, bank clearings were gaining in volume, there

* See the table of prices on p. 256.

† See the table on p. 255.

were freer offerings of loans on time and extensions of discounts, a rapid retirement by New York banks of clearing-house certificates, and more favorable weekly bank statements.

The earliest revival of trade was reported from regions in and tributary to the Ohio and Mississippi River Valleys; but industrial production, which gained somewhat early in the month in almost all sections East and West, soon fell off again. Collections were not improved, and doubt whether the Senate would pass the silver repeal bill had a noticeable influence on the view of the public whether business could or could not expand in the near future. The receipt of \$2,500,000 in gold from Europe in the first week of the month ended such importations for the time being.

Cotton and woollen mills which started up were running on short time with reduced force, but grain and cotton crops were being handled freely. Speculation was in a waiting attitude, operators looking forward to repeal of the silver purchase act in the Senate and to revival of confidence abroad in American currency and securities.

OCTOBER. The month opened with more cheerful reports concerning domestic trade, so far as prospects and "feeling" were concerned; but there was some conservatism in making loans, and delay of action by the Senate had an unfavorable effect. During the second week business generally was of a hand-to-mouth character, though reports respecting the outlook were more cheerful, except for the drag in the Senate. Collections continued very slow; but available funds in bank were heavier, and some demand was noted on the part of lenders for good commercial paper. In the third week like features were observed. The production of pig iron was at the rate of one-third of that one year before, and other leading manufacturing industries continued depressed. The list of railroad embarrassments was added to by a receivership

for the Union Pacific and the failure of the Northern Pacific Company. The fourth week brought more encouraging advices, especially the decision of the Senate to act favorably on the repeal of the silver purchase act. There were also gains in the volume of trade, increased purchases of shares and bonds at the New York Stock Exchange, larger supplies of money to lend on time, the receipt of \$500,000 in gold from Europe, and further offerings to purchase commercial paper. In the following week, ending November 4, an early effect of the repeal of the silver purchase act, psychological or other, was seen in reports of a better feeling in commercial circles, pointing to a revival of confidence. More travellers were sent out by jobbers and others, but neither at that time nor in several succeeding weeks did the progress of expected revival meet earlier anticipations.

III.

The writer on panics quoted at the beginning of this paper says of the "lowest point of depression" following panic that it is characterized by "a steady and radical reduction of loans and discounts, . . . until new enterprises are very scarce, till prices are very low, till there is a wide-spread idleness among workmen, a decrease in salaries and interest rates, when the public is wary and speculation dead and expenditures are cut down as far as possible." This, he adds, may be taken to mean "a rapid and continued resumption of every prosperous business," though, "if the above process is only partially performed, renewed trouble must result."

Few who have carefully read the foregoing will be able to resist the conclusion that we have recently seen all these characteristics * of "the lowest point of depression."

* On Saturday, December 2, the New York banks held \$76,096,900 of surplus reserve, a gain of \$5,261,725 on the preceding week and of \$69,603,150 on the corresponding time a year ago. Their deposits were \$32,483,400 more than a year ago; specie, \$25,299,600 more; legal tenders, \$52,155,000 more; and loans, \$35,168,100 less.

There remains, apparently, only one influence which may be permitted to act as a brake on the wheels of trade and industry.

With the certainty of tariff changes before them, manufacturers, merchants, and importers greeted the opening session of the Fifty-third Congress with the expectation and hope of speedy action. No repetition of the delays incident to the fight over silver repeal was desired. A restoration of confidence and a revival in business, in their opinion, were to depend largely on prompt action on the tariff bill by Congress, so that contracts and arrangements for future dealings might be made intelligently. Values could not be settled nor wages agreed to, nor mills and factories and furnaces put steadily to work, until the future of the tariff was known.

ALBERT C. STEVENS.

NOTE.

Correspondence with clearing-house managers throughout the country shows that, while at many points, owing to free shipments from larger centres and other often local causes, the banks did not have to resort to issues of clearing-house certificates or the use of checks "payable through the clearing-houses only" as currency, at some points the reverse was true, notably in the following instances:—

The New York Clearing-house Committee finished its work by cancelling \$400,000 certificates October 31. The first issue of certificates was \$2,550,000 on June 17. In all, \$41,490,000 were issued; but the maximum outstanding at any one time was \$38,280,000, from August 29 to September 6, when cancellations began, finishing, as above, after fifty-six days, Sundays included. This is a remarkable achievement, as shown by comparison with previous occasions. In 1873 the first issue was \$6,650,000 on September 23. The maximum, \$22,410,000, was reached October 3; and it was not until January 14, 1874, that the last cancellation was made. In 1884 the first issue was \$3,820,000 on May 15. The maximum, \$21,885,000, was reached May 24; and by August 28 all but \$250,000 had been cancelled. This amount, held for the Metropolitan Bank, was not finally cancelled until September 23, 1885. In 1890 the first issue, \$1,495,000, was November 12. The maximum, \$15,205,000, was reached December 12; and the final cancellation was effected December 23. It is note-

worthy that the repeal of the Sherman act and the retirement of New York clearing-house certificates both took place the last week of October.

The Associated Banks of New Orleans resorted to the use of clearing-house certificates, but only as a means of settling balances resulting from the exchanges daily at the clearing-house. The first issue of certificates was on June 26; total issue, \$1,029,000; and on October 31 the last of the certificates were retired. On August 9 the banks adopted the limiting of currency payments over the counter and the system of certifying checks for all other payments by the banks to extend for sixty days. Long prior to the expiration of the sixty days, however, the banks were almost in their normal condition, and meeting all the legitimate demands on them for currency.

The Chattanooga banks issued only \$10,000 in certificates with which to settle balances between banks.

Atlanta banks issued clearing-house certificates to the extent of \$128,000.

At Pittsburg the total issue amounted to \$985,000, and at Baltimore \$1,500,000.

Boston clearing-house banks report the issue of loan certificates as follows: total amount issued, \$11,695,000; first issue, June 27; last issue, August 23; first retired, August 18; last retired, October 20.

The Philadelphia clearing-house issued approximately \$10,000,000 worth of clearing-house certificates, the first of which was taken out about June 16, all of them being retired by December 1.

At Wilmington, Delaware, bank depositors were requested August 7, by order of the clearing-house, owing to scarcity of currency, to mark checks "Payable through the clearing-house only." The clearing-house manager wrote October 31: "Banks having large wages' accounts refused to allow entire pay-rolls, but this was only for a week or two. The banks here were able to allow pay-rolls several weeks before the Philadelphia banks eased up."

Jacksonville, Florida, banks, members of the clearing-house, having safe-deposit boxes, refused to rent them for hoarding or putting away currency; and resolutions were adopted that, "when check or checks on any member of this Association are received for collection, with request that remittance be made in currency by express, the said check or checks be certified 'Payable through the Jacksonville Clearing Association' and returned"; and that "checks, drafts, etc., received for collection or deposit, or which are cashed, are taken at the risk of the owner until final actual payment is received."

The Nashville banks decided on individual action, contrary to the counsel of some local financiers. As a result, there was no reciprocity of relief. The Fourth National had accumulated a large surplus, and felt able to weather the panic. In a day or two it fell back on limited payments, and so kept open. The American National, after an hour's experience, saw the suicidal nature of the policy of attempting to face the panic, and closed. The First National was the first to shut up. The latter secured extension from depositors, and resumed. The American resumed in a few weeks, and issued certificates of deposit aggregating only \$30,000, all of which were soon called in. The Fourth National issued only \$8,000 in certifications, which were soon retired, and in two weeks after the crisis threw open customers' accounts to checks. It is thus seen that the adoption of certificates of deposit was hardly more than nominal.

The highest amount of clearing-house certificates in circulation at Bir-

York
aring-
m the
was on
icates
y pay-
r pay-
on of
n, and
ich to
8,000.
timore
llows:
st 23;
worth
ne 16,
7, by
checks
anager
allow
were
l up."
saf-
rency;
ber of
no be
ayable
that
ahed,
counsel
The
ather
kept
suicidal
First
depos-
d cer-
led in.
soon
ents to
hardly
Bir-

mingham, Alabama, at any one time was about \$33,000. The following form of clearing-house certificate in use at that city accompanies the letter from Birmingham:—

BIRMINGHAM, ALA.,..... 1893.

This certifies that the..... Bank,
of Birmingham, Ala., has deposited with the undersigned Committee of the
Birmingham Clearing-house securities to the value of One Hundred Dollars,
to secure to the bearer hereof the payment of the sum of FIFTY DOLLARS in
lawful money of the United States, payable at any time after ninety days from
date hereof.

This certificate will be received on deposit by any Bank or Banker of the
Birmingham Clearing-house at par.

..... Committee.

At Richmond, Virginia, in order to offset the effects of the stringency,
payment of exchanges between banks, usually settled on presentation, "for a
short time, by mutual agreement between banks, was not demanded."

The clearing-house banks of Syracuse passed a resolution requiring each
of them to ask depositors to stamp checks and acceptances of any considerable
amount "Payable only through the Syracuse Clearing-house or in New York
Exchange." This was done to check collections by express, thus taking the
currency out of the city.

At Worcester "several concerns with large pay-rolls paid off with checks
for several weeks instead of currency. This was the only unusual expedient
resorted to."

Some Boston checks were used by Fall River banks to take the place of
currency, but not in a considerable amount. One trouble was to meet weekly
pay-rolls. When all mills are running, they require \$175,000 weekly in cur-
rency. This could not be met; and pay-roll checks were issued by the mills,
payable through the clearing-house. "About \$200,000 worth were issued
during August."

New Haven, Connecticut, banks "encouraged depositors to stamp their
checks 'Payable through the clearing-house only'; and, when checks of large
amounts were presented for payment, it was the custom, unless holders insisted
on receiving cash, to certify them, and request that they be deposited, so that
they would be paid through the clearing-house."

A like practice was resorted to by banks at Hartford, Connecticut.

The president of the City Bank of Buffalo wrote October 27: "Certificates
were issued here first on June 27, and reached the highest point on July 9,
when they totaled \$925,000. During the currency scarcity only two banks
here issued certified checks as a substitute; and the amount was limited, and
existed for a very short period. Most of us did not believe this to be the
proper method of ameliorating scarcity. The fact is, during the entire period
of the currency famine, Buffalo had about fifty per cent. more cash than she
usually carries, and really did not need any substitutes."

The Lexington, Kentucky, clearing-house manager wrote, November 1, that
during the late panic the members "stood, as it were, each one for itself. . . .
Since then steps have been taken to make it a legal concern"; and, should

financial trouble come again, "the Association will doubtless be fully prepared for emergencies."

At Detroit, Michigan, the banks resorted to the use of clearing-house certificates, the largest amount issued being \$360,000.

The St. Joseph bank clearing-house manager writes that, in the case of one or two of the banks which were close pressed, "several of us gave them the assistance necessary to tide them over; and St. Joseph emerged from the panic without a failure."

Kansas City banks, "as were the others throughout the interior, were greatly assisted by the patriotic and wise action of the New York City banks, who supplied the country with currency, the disbursement of which compelled them to resort to the use of these other representatives of money."

Chicago banks were fortunate in having a good supply of currency, so that at no time did it command a premium there. This is attributed by the manager of the Chicago clearing-house, in some measure, to "the inflow from the World's Fair traffic, although during the early part of the season the Fair occasioned a very severe drain upon our financial institutions."

The clearing-house manager at Minneapolis wrote November 10: "During the summer months, while currency was scarce, we had, generally speaking, enough for our needs; but, as harvest approached, considerable uneasiness was manifested as to whether or not we were going to be able to handle our crop of wheat, as we knew full well that we could not, as in the past, rely upon our New York friends for any assistance in this particular. Some currency was brought in, I think chiefly from Chicago. I believe the elevator companies had under consideration a plan for issuing small certified checks to purchase grain at their country elevators, and a few of these checks were issued; but, before the practice became at all general, it was found to be a fact that, owing to the comparatively light crop and low prices, we had enough currency here or at our command to move the crop, and the issue of these checks was at once stopped. The total amount issued aggregated but a small sum; and it does not seem proper to even mention the issuing of them, as the issue was so limited. Shortly after the crop-moving began, we were in receipt of telegrams from our Eastern correspondents, saying that they could ship us currency."

At Fargo, North Dakota, clearing-house certificates to the extent of about \$10,000 were issued in denominations of five, ten, and twenty dollars, each bank taking out certificates being required to deposit double the amount taken out of approved collateral. All the banks of the city were made liable on the certificates. The issue of certificates stopped the withdrawal of funds from the banks. "Most of the business men were willing to accept them in lieu of currency. They certainly helped through the panic, and have all been redeemed."

The Seattle, Washington, banks met, and resolved early during the depression that "they would stand by each other through thick and thin." This "pulled all of our institutions through in good shape, without resorting to the methods adopted in other places."

[The foregoing shows that banks in twelve cities issued about \$63,485,000 in clearing-house certificates with which to pay bank balances, and release temporarily that amount to meet the requirements of the general business community.]

THE NATURE AND MECHANISM OF CREDIT.

THE function of money is to express generic value. A commodity becomes money only in so far as it loses its specific utilities and embodies utility in general. It is not because the gold in the half-eagle may be put to various artistic uses that this coin is money; but it is money because it incarnates in a concrete form a certain amount of that homogeneous, generic force called "value," which, residing in many specific forms, makes up our aggregate wealth. The idea of a fund of "pure capital," of a fund of "general wealth," of "value in the generic," is well known to the readers of Professor J. B. Clark's writings. It is illustrated by the "hereditas" of Roman law or the "estate" of a deceased person in English law. A deceased person has left a variety of things, concrete, dissimilar, incapable of comparison or addition by physical measurements. These specific things, however, in the eye of the law constitute a whole, a homogeneous total of value, capable of exact division into parts precisely equal both as to quantity and quality. Under the auctioneer's hammer, houses, lands, ships, railway shares, household furniture, business partnerships, jewelry, horses, pictures, lease of a church pew, and the good will of a business are beaten into a unity, strictly alike in every part,—a sum total of value. Those who share in the inheritance (in the absence of specific bequests) receive, not specific things, but a certain portion of the value of the inheritance; and this portion of value is expressed in money, which they "invest" as they choose.

John Locke apparently thought of all commodities as lying in one scale of a balance held in equilibrium by the total of money lying in the other scale. A somewhat

similar conception is the basis of the "quantity" theory of the value of money. The conception is true when by "money" is meant the sum total of values expressed in terms of the money unit. The conception, however, is an absurdity when by money is meant only standard money, specie, or even specie plus its formal representatives. The amount of "horse-power" used in the world has no traceable connection with the number of horses used; and yet "horse-power" represents mechanical force in the generic, and all the mechanical force used may be expressed in terms of "horse-power."

The point to be kept clear is this: while the monetary unit must be a concrete economic good, it is not a specific good. Not the specific availability of the gold in the sovereign for making watch-cases and gilding, but its generic availability for all uses, is what constitutes it the monetary unit. As a specific commodity, it is not money. As money, it is the generic commodity, or, in Professor William Smart's phrase, "the universal commodity."

Money performs this function of representing generic value chiefly in two ways: first, by enabling men to get a conventional unit for measuring the value of specific goods; and, second, by furnishing them with a general title of economic ownership over all specific values. In the first place, then, money is a measure of value. This has been denied by some writers. Their error is due to one of two misconceptions. They either regard value as a mere numerical ratio between different economic goods or they think the measurement of value impossible, because the value of the unit itself varies. If value is merely a numerical ratio, of course it cannot be *measured*. But even Ricardo, who is regarded as the author of this conception of value as a ratio, often says "relative value" when he means a ratio, and "value" when he means a quality or force in a commodity. Value conceived as a *power*, as a force residing in goods, is ca-

pable of measurement. Weight is a force in an object due to the action upon it of the earth's mass. Change the mass of the earth, the weight of the object changes. Remove the object five thousand feet further away from the centre of the earth, its weight changes again. Value is a force residing in objects called goods. The value of a good is due to the action upon it of human wants. Change man's desires for this good, its value changes. Remove the good one thousand miles further away from the men who want it or remove it one hundred years into the future, its value again changes.

It is true that the aggregate of men's desires for any good is changing constantly and rapidly, is always dynamic, while the earth's mass is subject only to slow, secular variation. It is more difficult, therefore, to get accurate measurements of value than of weight. But difficulty of accomplishment is not the same thing with inherent and essential impossibility. It is as strictly scientific to speak of measuring value as it is to speak of measuring weight. The fact that value is a psychical force, while weight is physical, does not alter the case. Any force may be measured in terms of some unit of effect arbitrarily chosen. In measuring weight, a certain quantity of some metal is taken; and the force of gravitation exerted upon it under assumed conditions is treated as the unit of weight. By comparing the force of gravitation exerted upon any other objects with this unit their respective absolute weights may be expressed in multiples of this unit, and their weights relative to each other as numerical ratios. Similarly, in measuring value, a certain quantity of tobacco of a given quality, or of gold of a given fineness, may be taken, and the value given to it under assumed conditions by men's wants treated as the unit of value. The absolute values given to any other goods by men's wants may similarly, by comparison with this unit, be measured by it and expressed in multiples of

it, while their relative values will likewise appear as simple numerical ratios. The difference between these two classes of measurements is not one of essential nature. Yet it must not be forgotten that value is a highly complex force, that values of different goods, including the unit, are affected very unequally by changes in human want, and that no objective unit of value has ever been obtained which could be applied without error.

In money, then, as the homogeneous representative of that fund of value which resides in specific goods of all kinds, all the different utilities which different goods have in their peculiar uses, all the variations of personal valuations of these goods, are levelled out and conventionalized and rendered measurable. The monetary unit is a conventional unit of measurement for value; and thus rates of transfer for different goods are commonly expressed in it. Of great importance is this fact that under the system of specialized production the value of all the specific services rendered by the various producers, whether these are direct services or are embodied in tangible goods, are expressed in a generic form in money. Men think value in terms of money. Their income is regarded as a stream of money,—so much daily, monthly, yearly; and their activity is bent to increasing this flow.

Money also represents generic value as a title of economic ownership to values in general. In the words of Carlyle, "Whoso has sixpence is sovereign to the length of a sixpence over all men; commands cooks to feed him, philosophers to teach him, kings to mount guard over him, to the length of a sixpence." The holder of money is the creditor of other men. He has rendered his service to society as producer, and has received the money as an order upon the producers of the goods he desires. The order is perfectly general in character. It is an order in blank for so much value due from society to him, payable on demand in such goods as he calls for. He does not

wish the gold. It is necessary merely as the understood unit of measurement. The bullion value of the gold is not the essence of his claim, but is merely "collateral" upon which he can realize if the producers will not honor the order in the specific forms he chooses. It is a collateral, too, upon which every holder would lose enormously if the bullion uses of coin were alone considered. The average bullion value of gold for personal use to the holders would be possibly not one-half of the present value of gold bullion.

Money, therefore, is a claim upon values which has no time or space limits. Within the economic order of society it is good everywhere and always and for every economic good. Thus income becomes, in the mind of the consumer, a generic purchasing power, which he can transform into whatever specific sources of satisfaction his wants dictate.

What I have said implies that money is a form of credit, a point which needs wider elucidation. In the proof of this point I shall also prove the main thesis of the present paper; namely, that the economic force called *credit* is the indispensable agency which inheres in the system of specialized industry.

A man, entering upon any productive operation with a view to sell his product, parts with his labor only upon the tacit assurance given by society that it will buy his product with the special products he wants. He gives credit to the consumers of his product, *i.e.*, to society as consumer, to that extent. His specific product is to him a mere credit instrument, the evidence of his claim. He produces it because he finds that, by presenting it as an order on society for the goods he wants, he can get a larger surplus over subjective cost than though he produced these latter goods himself. It has no "intrinsic" value to him, or at best only a value below cost. Left

to himself, he would never produce it. He produces it only because society as consumer has promised to redeem it at a premium on presentation. For personal uses it has to him a less than marginal utility. The value in it which enables him to get a return for his labor is its objective value, its social or market value. It is upon the basis of this market value, this customary demand of society for his product, that he extends credit to society by producing what he does not want. The personal value of the product to him is simply a "collateral" which may save him from total loss if society refuses his product.

The process is essentially the same whether he barters his product directly or sells it for money. In the latter case, he surrenders his special product, which is in effect an order upon the consumers of that product, for money, which is a generic product, and thus an order upon all the members of society. The use of money simply divides his total surplus over cost into two parts. As producer, he gains in selling his product for money; for the money embodies its objective, conventionalized value, its marginal utility to society, while to him its subjective value was below the margin. He thus gains "producer's surplus." As consumer, he gains again by exchanging the money for the specific goods he wants; for to him they have a value above this margin. Here he gains "consumer's surplus." In barter this distinction does not appear. The distinction is not altogether justifiable,* for the act of production is not finished until the desired goods are in his hands as a consumer. The use of money, however, increases the surplus over cost to every one by economizing the labor required to "market" products; *i.e.*, to get them into the hands of consumers.

The money is only another form of credit, possessing the character of wider acceptability than the special product. It is generic or universal credit. With barter and

* A point suggested to me by the late Dr. Merriam, of Cornell University.

with money alike the whole system of specialized industry is dependent upon the psychical force, credit. Society, by its customary consumption of certain amounts of certain kinds of goods, issues tacit promises to the producers of those goods to pay them in the goods they desire. Upon the "credit" of these promises all production for exchange is carried on. The holders of all products for sale and the holders of all money are creditors of society in this sense. In rude industrial societies the redemption value of these credits—*i.e.*, the quantity of desired goods which can be obtained for them—is uncertain and irregular. Only those goods will be produced for exchange which can be counted on as possessing a wide margin of possible gain above cost. So soon as society becomes well organized, "market prices" render producers tolerably certain of the redemption value of their holdings; and the risk involved in such credits steadily diminishes, until nearly all goods are produced for sale.

I have ventured to call these credits *customary* credits, to distinguish them from that class of transactions usually known as credit transactions. The latter might well be called *formal* credits. The distinction is a legal one; but I hope to show that, as an economic force, the two kinds of credit are essentially the same, and that it is merely the legal limitations of the word "credit" which have hitherto mainly guided the course of economic discussion. Customary credits are not legally enforceable. There is no legal obligation to exchange goods at fixed ratios, nor, in fact, to exchange them at all. Formal credits are expressed in definite contracts, legally enforceable. Such are promissory notes, book credits, and the like. The sovereign power in society asserts itself in customs which gradually ripen into customary law, and finally into positive statute law. These are all essentially the same: they are all "law," and in every society the

positive law remains the smallest part of total *law* of the society. Similarly, this economic force of credit, based on the faith of men in the uniformity and reasonableness of each other's voluntary acts, appears first as custom, vague and uncertain, gradually takes on a certain regularity as markets are held and money is commonly used, and finally comes in its highest development to definite forms, in which many of the elements of risk are eliminated. Similarly, again, even in the most developed stages, formal credits, like positive law, remain the smallest part of the total *credit* existing in the industrial society. There is, however, an important economic distinction between two kinds of credits of which I shall speak later.

It will make my meaning clearer to rehearse in a concrete form the main points already made, extending at the same time the range of discussion.

From the point of view of credit, industrial development may be divided into five stages. Wheat-growing may be taken as rudely typical of the development:—

I. In the first stage the wheat-grower is practically isolated from the rest of the world, thrown entirely on his own resources. Wheat does not satisfy all his wants. He must therefore, after producing a certain amount of wheat, shift his labor to the production of other things. Seeking the highest net satisfaction from his labor as a whole, he applies it in his various operations, according to the familiar law of marginal equivalence. Credit has no place in such an economy. In his single consciousness are measured both the utility of the various products and the cost of their production.

II. In the second stage our farmer has a few neighbors,— a blacksmith, a shoemaker, a tailor, a storekeeper, a school-teacher, a parson, and the editor of a country newspaper. The farmer has learned that he gets a greater surplus utility by producing more wheat than he needs for personal uses, and bartering this excess with his

various neighbors in return for their goods and services. The wheat-grower has now taken the first and most difficult step in industrial civilization. A new economic force has been called into action, which is the fundamental agency in economic progress. This force is credit. The problem before his mind is nothing less than this, in its entirety: "I must give up my habit of making personally the things I want, and must trust some one else to make them in return for my surplus wheat. If other people will not take my wheat, I shall lose the most of my labor. If they do not make the things I want, I shall also lose by having to accept things of less value to me." It is safe to say that, if this problem as a whole were present to our farmer's mind, he would never see the gain in changing his economy. An unplanned surplus of wheat some year enables him to give up shoemaking for that year, that being the operation which he finds most laborious. Gradually and hardly, with lingering yearnings for the good old times, he comes to grasp the fact that he "makes more" by growing regularly a surplus of wheat over his personal need, and depending on the sale of this surplus for his other goods. The old ideas die slowly, however.*

The radical character of this change to specialized lines of production is seen in the fact that in direct production for the satisfaction of one's own wants, intensity of want with corresponding utility of product on the one hand, and disutility of production on the other—utility and cost—are measured and balanced in the same consciousness. The wanter and the worker, in regard to each eco-

* In Eastern New York, not much over twenty years ago, my grandfather, a farmer in comfortable circumstances, with habits of mind brought down from his childhood under the Presidencies of Washington and John Adams, continued to spend a considerable part of his time in dressing flax for ropes and grain-bags to use on his farm, and even in making his own shoes—and mine, which latter fact has impressed the process upon my mind, for they were fearfully and wonderfully made.

nomic good, constitute the same person. This unity of consciousness in producer and consumer makes the certainty of his future well-being depend on two things only, — the stability of his own desires and capacities and the uniformity of nature. When he produces for exchange, however, the vast uncertainty opens before him of the instability of the desires and efforts of other men, affecting both the demand for his products and the supply of the products he wants. Credit is the force which enables men to overcome this uncertainty, and grasp that unmeasured gain which comes from specialized and organized industry.

When our farmer thus gives up the power of valuing directly his own product, the adjustment of motive between cost and utility of products is no longer made in the same mind, but is left to the vague action of many minds in the "market." In the farmer's mind the surplus wheat loses its character of an economic good, and takes on the character of a credit instrument. In an economic sense, he becomes the *creditor* of various other people, whom we call "society" for short. If his wheat is destroyed by some accident, his claim is gone. If society changes its mind and does not want so much wheat this year as last, his claim is impaired. He accepts the ordinary demand of society for wheat as a tacit promise of society to take his wheat and give him in return the goods he wants. It is only because he finds in the long run that the credit thus extended to society is safe, and that society redeems its tacit pledges, that he continues to devote more and more of his energy to wheat-growing. This illustrates what I have called customary credit.

III. In the third stage regular markets for wheat and other goods have become established, and money is in common use. Our farmer sells his surplus wheat for money, and afterwards buys the desired goods with money. There is no essential difference between this case and the last, as before seen. He simply surrenders his specific

credit instrument, surplus wheat, and receives another credit instrument, gold coin. Physically, gold coin is imperishable: wheat is not. This is an advantage. Psychically, gold coin is a claim upon all men. No one in the market will refuse it. Money is generic, not specific. This is another advantage. The bullion, as collateral, is much better than wheat. This is still another advantage. But the gold coin remains credit still.

IV. In the fourth stage credit partly takes on a new phase. Our farmer has found a net gain in each extension of his wheat-growing. Each year he has enlarged his output by investing his gains in his business. He has rented more wheat land, bought more horses and better machinery, and hired more labor. He now believes that, if he had more capital, so as to enlarge his operations yet farther, he would still gain. His neighbor, also a wheat-grower, now getting old and wishing to retire partially from active business, lends him \$1,000 worth of capital in return for our farmer's note, payable in a year. There is, furthermore, at the nearest village a grain-dealer who also deals in agricultural supplies. Our farmer, from time to time, buys from him various articles needed "on credit," and brings him wheat from time to time, for which he receives credit. He has now become a formal debtor as well as a formal creditor. He has given express, definite, legally enforceable promises to other men to pay them at a future time certain amounts of wheat or money. These credits, book credits or promissory notes, I have called "formal" credits for reasons already given.

The economic significance of the credits which our farmer has received is that he is enabled to extend his profitable operations beyond the point possible if he had only his own capital. His proved ability as a producer enables him to obtain "credit" from other men having capital which they would rather lend than use themselves. So long as he can manage successfully a larger capital in

his business he will seek to borrow. He will be able to borrow so long as he proves his ability to pay more for the use of capital than its owners will gain by using it themselves. Thus the "credit" which will be given to our farmer will depend upon his industrial worth as a manager of capital, and thus the capital of society tends to get into the hands of the competent managers.

It is now readily seen that an economic distinction must be made between two classes of credits. The credit which the farmer gives to the consumer of wheat, which I have called "customary," has some economic characteristics different from the credit which the farmer gets from his neighbor, which I have called "formal." The legal distinction does not coincide, however, with the economic. The credit obtained by the consumer of wheat—*i.e.*, by society as bread-eaters—does not remain entirely customary. The baker receives formal credit for his orders upon the flour-dealer, the flour-dealer formal credit for his orders upon the miller, the miller for his orders upon the country grain-dealer, and the country grain-dealer for his orders upon the farmer. Always, however, in whatever manner industry is organized, there remains about the retail dealers the broad fringe of customary credit extended by these dealers to their customers; namely, society as ultimate consumers. This customary credit always remains as the basis of all other forms of credit and as the foundation of specialized production. As this force is transmitted from the final consumers of products into the various special channels of trade, it takes on more and more a formal character with the better organization of the "market." It remains, however, in essence, the same economic force. To it is due *external* specialization in production; that is, the separation in personality between the producer and consumer of specific goods,—in other words, the separation of industry into distinct trades for the production of each finished good. From an economic standpoint it may be called *consumer's* credit.

On the other hand, the credit which the farmer gets from his neighbor, while it is almost invariably a formal credit, has yet its economic significance in the fact that it is a transaction between two producers of the same ultimate product. All the producers of wheat in the same market, having extended their credit to the ultimate consumers of wheat, the bread-eaters, now bargain among themselves as to how much of the productive industry necessary to furnish the bread each shall undertake. The farmer's aging neighbor gives him a part of his capital, other men give him days' labor, other men agricultural machinery, other men various other things necessary; and, in return, the farmer gives them promises to pay when he shall have been paid by the bread-eaters.

Our farmer, the capitalist, the land-owner, and the wage-worker, and corresponding functionaries in every trade associated with wheat-growing in the production of bread, become differentiated. The farmer receives credit from these various functionaries. To this form of credit is due *internal specialization* in production; *i.e.*, specialization of functions within the separate trades. They usually take the form of credit extended by the other classes to the "undertaker." They may well be called "undertaker's credits." They form the larger part of what is commonly called credit. Essentially, however, they are only a secondary form of credit, within the larger circle of consumer's credit. In both the same psychological factor is involved,—reliance of person on person for definite results of future activity, the giving up of the specific direction of one's productive resources for a time, in reliance upon a promise of future reward. The formal legal character which usually attaches to the undertaker's credit is an incident of structural growth, not an essential difference; for it is also quite common in consumer's credits. They both require the presence of capital as the vehicle of their activity; *i.e.*, indirect production for the supply of

future wants. They both tend towards the same economic end,—of bringing the various productive processes under the management of the most efficient intelligence and skill, or, in other words, of putting each human worker into the place in the industrial organization where he can be most efficient. Through consumer's credit the worker can take up that trade in which he is most apt; and through undertaker's credit he comes to take that place in any trade or group of trades which his native and acquired skill fit him to hold. Credits of both kinds are alike, also, in their mechanism, their structural organization. This will appear to better advantage after bringing our farmer into the fifth stage of industrial development.

V. This is the most highly developed stage of industry, with credit organized in banks and banking systems. There is no need to describe the familiar processes of banking. In the further specialization of industry due to credit a special class of dealers in credit instruments themselves has grown up. They deal in all formal credits, whether consumer's or undertaker's. In fact, undertaker's credits are all only a form of the general force called consumer's credit, looked at from the other side. Our farmer sells wheat worth \$500 to the miller, who makes it into flour and sells it to the hotel-keeper, who makes it into bread and pastry and feeds it to his guests. The farmer buys a threshing-machine from the manufacturers and pays with his check. The other transactions are paid by promissory notes which are discounted at the same bank and their amounts credited to the depositors. The notes are paid by mere transfers of credits on the banker's books, leaving a balance, perhaps, to some one's credit, which we say is paid in "money." In effect, our farmer has exchanged his wheat, to him a credit instrument, for the miller's note, another credit instrument. This he has exchanged for bank credit, and this he has surrendered for the commodity he wished. The wheat, meantime, re-

mains a credit instrument until it reaches the ultimate consumers. It has only an anticipated, a credit value. In all trade the process remains essentially the same. In an earlier time the blacksmith's customary consumption of wheat and the farmer's customary consumption of ploughs caused the farmer to give credit to the blacksmith by putting labor into wheat, while the blacksmith in his turn gave credit to the farmer by putting his labor in a plough. To each as producer the article for exchange remained a credit instrument. When exchanged, these credits cancelled each other, a balance possibly remaining due from the blacksmith which was settled by his giving a hoe "to boot." When money is in use, the value of each good is estimated in money and the balance paid in money. When the general store-keeper appears, these credit instruments are bartered through his agency, mutual credits are cancelled upon his books, balances are paid in money. Under the most highly organized system of banking the transaction does not differ in principle, as we have seen. It simply increases in complexity. Credits are mutually cancelled in the banks, the general book-keepers of industry, and balances paid in money.

Nor must it be forgotten that, while legally money is the commodity of ultimate payment, economically it is a form of credit. It is the widest form of credit, the generic credit instrument. Economically, ultimate payment only is reached when the consumer receives the desired good. Goods are unfinished until then. The process of production is incomplete until then. Anticipated values are unrealized until then. Until then goods pass through producer's hands as credit instruments, the value of which to them is objective, and resides in the minds of others,—credits which are ultimately to be paid in goods desired for consumption.

The money which circulates at any time is, therefore, only evidence that at that time in the general settlement

of accounts a balance is due. Money is thus the clearing-house certificate of general industry, showing the balances after barter transactions. Those who hold it are creditors of "society." It is credit in its widest form, because it can be directly presented to any member of society. No other transaction in credit need intervene between its possession and that of the desired good, even in the most complex organization of industry. By its marginal equivalence of utility in its commodity and money uses, money unites subjective and objective values, it enables each man to understand the valuations of other men. It conventionalizes value-thought between producers and consumers. Credits are titles to future value. Money is not only the generic finished good, and therefore the universal form of present value, but it is also the generic credit or universal title to future values. All other commodities are specific in their uses. All other credits are specific as to times of payment and personality of debtor. It is rightly regarded, therefore, as the natural form of ultimate payment in the settlement of all balances in transactions involving both customary credits and formal credits.

An interesting application of these principles, would it not unduly lengthen this paper, would be to point out the essential similarity between industrial crises and monetary panics. The former come from a derangement of customary credits, the latter from a derangement of formal credits. In one sense, therefore, the latter are economically unnecessary, the creation of law.

In case of industrial crises, producers issue too many credits; *i.e.*, produce more goods of certain kinds than are really demanded. Misplaced or excessive credit is the cause. The same is true in monetary panics; but, in the latter case, an unnecessary scarcity of money of ultimate payment is created. The whole system of representative money and credit, as organized in banking institutions, is

an elaborate realization of the idea that only standard money pays balances. What is needed at such times is some process by which goods in the hands of debtor producers, their unmatured credits, may be got into the hands of ultimate consumers; and thus that latent value be developed, that fund of consumer's subjective value be *objectivized*, and the debtor thus furnished with other means of ultimate payment.

A further word should be said about the special importance of undertaker's credits. To some extent every man is his own undertaker. In isolated production, were there such, a man would undertake to direct his work so as to get a living. He would perform every industrial function himself. He might even accumulate some capital. The scope of his undertaking, however, becomes progressively narrowed. First, it is restricted to a few products, then to one, then, perhaps, to some one operation. It is the function of the undertaker so to shape the productive processes that goods produced shall be the goods wanted. Most men find out that they are not fitted to do this in a large way. If they have no capital, they work for wages. If they have capital, they loan it to other men. The tendency is to develop a separate class of undertakers, who direct in general the productive operations. Credit is the means of making capital most available in specialized industry. It brings capital into the hands of the undertakers. The office of credit is to make the most effective combination of personal capacity and capital. As we have seen, the undertaker can get credit according to his ability to manage capital. *His credit is the present value of his future industrial worth.* If undertakers fail, they lose their credit. This is true of individual cases and of the whole social field of industry as well. Loaned capital must be repaid; *i.e.*, total capital must be maintained. An undertaker can get all the capital he can profitably make use of, which means that in a given in-

dustrial field undertakers can get loans of capital in some proportion to their ability as undertakers. Credit instruments embody the future industrial capacity of persons. The prime function of credit is thus to bring into activity the personal productive power of individuals, which is sometimes spoken of as "personal capital." Strictly speaking, reliance placed on "collateral" is not credit. The essence of credit is reliance on a person. Consumer's credits determine what relative amounts of general productive force shall be expended in the production of the various goods. Undertaker's credits determine the apportionment of capital to personal capacity in any occupation. Through its operation directive ability tends to get control of capital and labor in quantities suited to produce the best results. Costs of production are reduced, more goods and new goods are produced, and society gains in both ways. There is more reasonable consumption, more efficient production.

Credit, to attain its highest usefulness, must be capable of easy generalization. This is accomplished mainly in two ways: (1) by expressing credits in terms of money, which is generic; and (2) by such an organization of credit instruments and credit institutions that the owner of personal industrial capacity may readily exchange his individual credit, a purely specific thing, for wider credits. The banks do this, and the great banking systems which have grown up in the present century carry the process still further. Our national banking system realizes in a marked degree the idea of universalizing individual credit. A man getting his note discounted by a national bank has at his disposal a credit which is everywhere accepted, and this, too, with a remarkable economy of gold money as a reserve. From this point of view it would be a long step backward to allow note-issues by State banks. It would be retracing some steps in that remarkable evolution of the mechanism of credit which is shown

in the consolidation of banking institutions in each of the great countries that are industrially the most civilized.

To recapitulate certain points. 1. Credit, as *legally* defined, does not include all *economic* credit. The latter rests on the psychological trait of faith in the uniformity and reasonableness of other men's voluntary acts. It embraces every surrender for a time of one's productive resources to another person, in reliance upon his promise of future reward. The promise may be only *economically* enforceable.

2. The office of credit is to create specialization in industry. It separates the personality of consumer and producer of specific goods. Specialization of trades results from "consumer's credits," specialization of industrial function from "undertaker's credits."

3. The mechanism of credit embraces the whole fund of objective value residing in goods for exchange. Credit instruments are: (a) Goods for sale in producer's hands as credits. They are cancelled by coming into the hands of consumers. (b) Money, which is universally accepted as "boot" in the settlement of barter balances, because it represents generically the fund of value, and thus measures specific values and gives command over all specific values. (c) "Paper" credits of all kinds, including "paper money," which simply evidence ownership in value. They may be titles to specific goods or to money, the generic good.

4. Credit is organized in markets. Exchange remains essentially the same process in primitive markets and in the modern clearing-house. In both, credit instruments are cancelled by mutual transfers; and balances are paid in money, the credit universally acceptable.

SIDNEY SHERWOOD.

JOHNS HOPKINS UNIVERSITY.

THE UNEMPLOYED IN AMERICAN CITIES.

THE present gravity of the problem presented to American communities by the temporary inability of great numbers of the population to obtain employment may serve as an excuse for presenting in somewhat crude form the results of an inquiry into the number and condition of the unemployed in the principal cities of the United States, and the measures adopted by the municipalities, by organizations and individuals, for providing temporary employment or affording other relief.¹

The data which are here presented are mainly derived from some three hundred replies received to a circular of inquiry sent to public officials and other citizens of all cities of over twenty thousand inhabitants, and of many smaller places. Most of the replies were prepared during the second or third week in November. The data therein given have been supplemented as far as possible by items that have appeared in newspapers down to the 15th of December. The date of all information received later than the 25th of November has been indicated in the foot-notes. Although the present tense is ordinarily used, for the sake of brevity, it is to be understood as an "historical present," conveying information already some weeks old. No doubt, in many cities, new conditions and movements have developed which have not been called to the writer's attention.

MASSACHUSETTS.

The number of the unemployed in Boston is uncertain. Mr. W. A. Clark and R. B. Young, of the Andover House, have learned, by "consulting the highest authorities in the different trades," that, out of 26,645 laborers in thirty-seven diverse crafts, 9,840, or 37 per cent., are out of work. Upon

¹The writer wishes to express his gratitude to each of the many correspondents who have so generously furnished him the information upon which this paper is based.

the basis of these returns and figures furnished by the Chief of the Massachusetts Bureau of Labor Statistics, they make the following estimates:—

Class.	Total number in class.	Estimated number unemployed.
Manufacturing and Laboring,	78,765	29,143
Trade and Domestic Service,	77,288	7,728
Personal Service and Transportation,	30,380	1,519
Totals,	186,433	38,390

The Associated Charities and eighteen other charitable societies issued an appeal to the public in November, urging the charitably disposed "to join in personal visiting and in the most generous contributions possible to the existing charities," and rather deprecating novel methods of relief.¹ The public agencies of relief, the various charitable societies, benevolent orders, churches, and labor unions have been unusually active in rendering assistance in their special ways, and several "mushroom" and disconnected schemes of assistance have been put into operation from among the many that have been proposed.²

A committee of citizens appointed by the mayor began the registration of applicants for employment December 20.³ Up to December 24 the number of men registered was 2,271, and the number of women registered was 44.⁴ \$11,698.45 had been subscribed toward the relief fund.⁵ The committee has arranged to employ 400 men at once on sewers, in two gangs, each man working three days a week and receiving \$1.50 a day.⁶ Further work will be provided in cleaning the streets. Sewing and similar work have been provided for all women who have applied.⁷ Aside from this emergency work, the city government has provided for the pushing forward of all public work for which funds are available, and is employing a considerably larger force of men than is usual at this time

¹ Circular, *How to relieve Distress among the Poor this Winter.*

² Boston *Herald*, December 17. ³ *Ibid.*, December 21.

⁴ *Globe*, December 25. ⁵ *Ibid.*

⁶ *Journal*, December 27; *Globe*, December 24, for plan.

⁷ *Journal*, December 27.

of year.¹ The common council has passed an order appropriating \$500,000 for the construction of streets and sewers, with the object of furnishing employment.²

The plan of relief adopted in Lynn is of peculiar interest. The Lynn Citizens' Labor Bureau has supplemented the existing charities by offering a limited amount of work on the streets to "actual citizens of Lynn in extreme need, and having no other friends or resources,—these facts ascertained by thorough domiciliary investigation in every case."³ Men have been paid \$1.00 for each half-day's labor; and, except in cases of extreme need, the share of each laborer has been three half-days of labor and \$3.00 each week.

The work was begun October 2, and the results reached November 10 were:—

Amount of citizens' subscription to date,	\$5,425
Total applications for work,	759
Applications postponed, because—	
Unmarried men without dependants,	222
Work secured elsewhere,	45
With property and not in absolute need,	40
Non-resident and other reasons,	40
Domiciliary investigations made,	405
Placed upon the working list,	372
Different men actually employed to date,	296
Money paid to them,	\$2,914

The expedient seems to have been a most judicious and effective measure of relief. The committee report:—

So far the system has prevented absolute destitution, the influx of the needy from other cities, the storming of the city treasury, much misapplication of charity, and much loss of self-respect. The thorough investigation has been of the highest value, locating the quarters where the pinch of need is greatest, forestalling the astonishing activity and impudence of the charity impostors, bringing to the notice of the benevolent some cases of pecuniary hardship which a little good management re-

¹ Mayor Matthews at conference of citizens December 18; *Globe*, December 19. *C.* reports of meetings of aldermen December 18, and of common council December 21, etc.

² *Boston Transcript*, December 22.

³ First Report of Citizens' Committee, published in *Boston Herald* December 11; *Lynn News*, December 12, etc.

lieves, uncovering many preventable causes of distress, and enabling the relief-giving societies and individuals intelligently and effectively to succor the destitute.¹

In Worcester the highway, sewer, and water departments have been doing much work that would ordinarily have been postponed.² About 500 emergency laborers have been set at work within the past six weeks.³ More work of the same sort is planned, and the estimate of the highway department for next year will be \$250,000.⁴ The number out of work is said to be from 6,000 to 8,000.⁵

Lowell has authorized a loan of \$60,000 for sewer construction;⁶ and, partly as a result of discussion by the Church League Relief Committee and in the newspapers, the force of the public departments has been kept larger than usual at this time of year.⁷ The Central Labor Union is trying to have the contract for a new bridge over the Concord River awarded to local contractors.⁸ A co-operative enterprise to furnish work for unemployed dressmakers is reported to be successful.⁹

Lawrence voted to create a temporary debt of \$50,000 to extend the sewerage system, with the object of furnishing work. Operations have been suspended on account of the cold weather.¹⁰

Brockton appropriated \$5,000 December 14 to employ men in "two gangs, each working four and one-half hours a day."¹¹ There are said to be perhaps 1,000 people out of employment.¹²

Quincy recently appropriated \$60,000 for the extension of the water supply system and \$10,000 for street widening, with

¹ First Report of Citizens' Committee, published in *Boston Herald* December 11. Cf. also Rev. J. H. Van Buren's letter in *Lynn Item*, December 12; *Boston Globe*, December 4, 13, 16; *Transcript*, December 4.

² Mr. Freeman Brown, clerk Overseers of Poor.

³ *Worcester Telegram*, December 11.

⁴ *Boston Globe*, December 16.

⁵ Mr. Freeman Brown.

⁶ Letter from the Mayor.

⁷ *Boston Globe*, December 16.

⁸ *Boston Post*, December 16.

⁹ *Boston Herald*, December 16.

¹⁰ *Boston Globe*, December 16.

¹¹ *Brockton Enterprise*, December 15; *Boston Post*, December 15.

¹² Mayor.

the proviso that "citizens of Quincy having families should have the preference in performing the work."¹

Newton is beginning an extensive system of boulevards, and is ready to put 1,000 men at work in addition to the present force of 600. "In anticipation of the present hard times the city government has placed at the disposal of the chairman of the Highway Committee \$107,500."²

Many cities have adopted the alternative plan of giving assistance instead of employment. In Springfield the Board of Trade has proposed a distribution of bread and coal at wholesale prices, the distribution to be carried on by men now out of employment. A public soup-house is also under consideration.³ In Waltham the balance of the fund raised for the Johnstown sufferers, amounting to \$1,253.92, has been placed at the disposal of the Associated Charities "for the relief of those needing work or assistance in Waltham."⁴ Haverhill has named a Relief Fund Investigating Committee, and has expended thus far \$1,500 of an emergency fund.⁵ Citizens of Fitchburg,⁶ Holyoke,⁷ Somerville,⁸ Marlboro,⁹ Watertown,¹⁰ and of many other cities and towns, are making special efforts to relieve distress.

CONNECTICUT.

The conditions at Danbury are in this respect unique, and extremely significant: that public employment on a considerable scale is sought not merely to relieve destitution, but to enable the operatives of the hat factories to hold out in their dispute with their former employers. The facts of the situation seem to be these: Late in November the manufacturers issued a circular giving notice that they would soon discharge all their help, but would re-engage them as fast as the condi-

¹ *Boston Herald*, December 12.

² *Boston Globe*, December 16.

³ *Springfield Union*, December 13; *Boston Advertiser*, December 14.

⁴ *Waltham Tribune*, December 11, 12; *Boston Herald*, December 13.

⁵ *Haverhill Gazette*, December 12; *Boston Herald*, December 14; *Boston Globe*, December 16.

⁶ *Boston Globe*, December 16.

⁷ Mayor.

⁸ *Boston Globe*, December 16.

tions of trade warranted, upon a non-union basis.¹ The employees at once prepared to resist this effort to break down their unions; and, as one weapon in the struggle, they circulated a petition for a town meeting to appropriate \$50,000 for aid and temporary employment of such inhabitants of the town as might be in need.² The meeting was held December 7, and \$50,000 was voted with no apparent opposition.³ The victory was, however, only an apparent one; and the voting of the money was nullified by the fact that the selectmen had no funds with which to meet the appropriation, even had they been disposed to do so, and that the tax rate for the coming year had already been fixed at a point which made no provision for any such expenditure.⁴ The whole matter has seemingly been dropped; but the incident is significant in relation to the possibility that labor disputes may become a considerable factor in decisions in regard to undertaking public works.

It is stated that several Connecticut towns are undertaking public works with a view of giving employment.⁵ Such a plan is proposed in New Haven, where there are some 5,000 men unemployed,⁶ and 2,000 more on partial time,⁷ and in New London. In Middletown certain quarries are giving employment only to married men.⁸

RHODE ISLAND.

In Providence the number of unemployed in the city is given as 3,000, besides 6,000⁹ striking operatives in Olneyville and other suburbs.¹⁰ The poor authorities and charitable societies have had unusual calls upon them, and there is said to be much distress.¹¹ Branches of the fuel society have

¹ *Boston Herald*, November 23.

² *Boston Transcript*, December 2.

³ *Boston Globe*, December 8.

⁴ *Boston Transcript*, December 9.

⁵ *Boston Herald*, November 23.

⁶ *Ibid.*

⁷ Hon. I. B. Sargent, mayor.

⁸ *Boston Herald*, December 14.

⁹ 7,000 according to *Boston Globe*, December 8.

¹⁰ Mr. J. L. Pierce, president Board of Trade. The *Boston Transcript* of December 19 states the total at 12,000.

¹¹ *Boston Globe*, December 14.

recently been opened in various parts of the city. The establishment of soup-houses is under consideration. The commissioners are urged to begin work at once upon the new State House to afford employment.¹ The common council have voted to begin work at once upon the extension of the Roger Williams Park, employing men at 75 cents a day.²

In Woonsocket, where there is a considerable number of unemployed, the mayor has urged the anticipating of public works; and \$41,000 has been appropriated for a school building, a reservoir, and other works that would not ordinarily have been undertaken at this time.³ There are more unemployed than usual in Newport.⁴ The number out of work in Pawtucket is said to be less than 1,000.⁵

MAINE.

Maine is, on the whole, fortunate in the present depression. There is a large number of unemployed in Lewiston, Auburn, Saco, and Biddeford, but no considerable number in Portland,⁶ Augusta, or Waterville; and the people of Bangor are said to know of the hard times only by telegraphic communication.⁷ Lumbering and the cutting of ice,⁸ as well as railroad construction,⁹ are helping out the quota of work.

NEW HAMPSHIRE.

In Manchester there were 10,000 idle in August, but nearly all are now at work at least a portion of the time. A loan of \$25,000 was authorized to provide work through the street department.¹⁰ There is a great deal of lack of employment and some destitution in Nashua.¹¹ There are few out of work in Concord.¹²

¹ *Boston Globe*, December 16.

² *Boston Transcript*, December 19.

³ Mayor.

⁴ *Boston Post*, December 14; *Boston Globe*, December 16.

⁵ Mayor.

⁶ Mayor.

⁷ *Boston Globe*, December 16.

⁸ *Ibid.*

⁹ Mayor of Bangor.

¹⁰ Mayor.

¹¹ *Boston Globe*, December 16.

¹² Mayor.

VERMONT.

There is said to be the usual amount of employment in Burlington.¹ Slate quarries have recently shut down in several towns, throwing some 2,500 men out of employment.²

NEW YORK.

Recent estimates of the number of the unemployed in New York City vary from 80,000—as indicated by the partial returns of the health board's census, covering 1,200 of the 38,000 tenement houses³—to 100,000⁴ or even 110,000.⁵ Mr. James B. Reynolds, chairman of a special committee of investigation appointed from the University Settlement, states that there are 80,000 unemployed, and at least an equal number working half-time or less.⁶

Certain labor leaders have stated that perhaps 25 per cent. of the workingmen in the city are unemployed at the present time. The Cigar-makers' International Union, No. 9, is assisting 500 out of its 2,000 members. Between two-thirds and three-quarters of the United Brotherhood of Tailors and something over one-half of the German Waiters' Union are employed. At least 25 per cent. of the organized iron and steel makers are said to be idle.⁷

There has been a marked increase in the demands upon the charitable societies; but, although taxed to the utmost, these societies claim to be satisfying all deserving wants.⁸ They have made an urgent appeal for special funds.⁹ The following table shows the excess of requests for assistance made in

¹ Mayor. ² Boston *Herald*, November 23.

³ New York *World*, December 21.

⁴ Despatch to Boston *Traveller*, December 23; Mr. W. J. Gorsuch, secretary National Provident Union, New York, December 23.

⁵ A newspaper estimate.

⁶ Mr. A. B. Reynolds, December 25.

⁷ New York *Post*, November 25.

⁸ Mr. C. D. Kellogg, general secretary of the Charity Organization Society, in New York *Post*, December 8.

⁹ Despatch to Boston *Globe*, December 23.

recent months at the central office of the Charity Organization Society as compared with the corresponding months a year ago:—

	July	Aug.	Sept.	Oct.	Nov.
1892,	109	78	121	108	193
1893,	146	114	204	286	312
Excess in 1893, . .	37	67	143	183	119 ¹

The Charity Organization Society has just opened a lodging-house to accommodate 200 men in connection with its wood-yard.² The Industrial Christian Alliance has founded a home where men are given food and lodging in return for work in its broom factory, tailoring-shop, and other industries. There are accommodations for 80 men at a time, and men are allowed to remain five weeks. There are said to be more than ten times as many applicants as can be admitted. The Alliance contemplates a similar home for women, an "industrial farm," a lodging-house, and other features;³ and it has recently provided for furnishing full meals⁴ at the nominal price of five cents, having raised over \$10,000 for this last object.⁵ The newly established Bloomingdale Church Wood-yard gives employment at rates which enable men to earn from \$1.00 a day upwards. "The first week work was given to 218 men, and 100 were turned away."⁶ The St. Andrew's Coffee Stands, the Kimball Mission,⁷ Mr. Nathan Strauss's coal-yards, where coal is sold at almost wholesale rates,⁸ a special store where groceries are sold in a similar way,⁹ are a few among the many agencies that are trying to assist the destitute. The New York *World*'s distribution of bread, which was discontinued several weeks ago, is claimed to have amounted to 5,000 loaves a day, or to a total of 250,000 loaves during the two months that it continued.¹⁰

¹ Despatch to Boston *Globe*, December 22.

² The *Outlook*, December 2; New York *Home Journal*, December 6. ³ *Ibid.*

⁴ New York *World*, December 10.

⁵ *Ibid.*, December 22.

⁶ Circular of Bloomingdale Church Wood-yard, October 12.

⁷ New York *World*, November 26.

⁸ *Ibid.*, December 10.

⁹ Boston *Journal*, December 22.

¹⁰ Mr. Kellogg.

A novel and interesting plan designed to afford work "without interfering with those already employed"¹ has been undertaken by the East Side Relief Work Committee. The plan is "to apply the system of extra sweepers—now in use in many up-town streets—to the crowded tenement-house districts," and also to set garment-makers at work upon clothing to be sent to the cyclone sufferers of South Carolina.² This work has been kept within comparatively narrow limits by lack of funds.³ \$1.00 a day is paid to 100 street-sweepers, from 50 to 70 cents to the garment-workers, of whom about 60 have been employed.⁴

Dr. Stanton Coit and Rev. Dr. W. S. Rainsford, who have been leaders in the last-named enterprise, have also provided for a free employment bureau at the rooms of the University Settlement.⁵

A small body of the unemployed themselves held a mass meeting in Union Square November 28, and passed resolutions requesting "employment rather than charity," and asking that the city and State "promote works of public benefit and improvement."⁶

The president of the Brooklyn Bureau of Charities recently stated that, "from applications received at the several headquarters, it was already evident that there would be very many people out of work this winter. The number [apparently of the unemployed] now was more than double what it was a year ago."⁷

The various charitable organizations of the city are to co-operate in providing "ways and means for the relief of the destitute poor of Brooklyn," and a committee has been appointed "to arouse the citizens to a full realization of the situation." It is intended that the movement shall be carried on by "the regularly organized charitable societies rather

¹ Circular of East Side Relief Work Committee; also New York *Tribune*, November 26; Boston *Transcript*, December 4.

² *Ibid.*

³ Boston *Transcript*.

⁴ New York *World*, December 22.

⁵ New York *Sun*, November 29.

⁶ *Ibid.*; *Recorder*, November 29.

⁷ Brooklyn *Eagle*.

than by spasmodic efforts on the part of individuals."¹ No special action has been taken by the municipality,² beyond keeping a full complement of men employed on public works.³

The number of unemployed in Rochester is considerably larger than last year. The only numerical estimate received, 20,000,⁴ seems greatly excessive, especially in view of the statements of other correspondents.⁵ The city happens to be still engaged in the construction of extensive public works, water supply and sewerage systems, bridges and the like, which will give employment to a large number of men throughout the winter.⁶ The Chamber of Commerce is raising funds to assist the destitute.⁷

The secretary of the Buffalo Charity Organization Society writes that "so far the conditions have not seemed to require any special effort on the part of this society or the citizens."⁸ The press reports a considerable amount of destitution. It has been stated that 5,000 Poles in East Buffalo are in "imminent danger of starvation,"⁹ and their fellow-citizens have organized a society for their relief.¹⁰ Bread is being distributed by the postmaster, who chances also to be the proprietor of a bakery.¹¹

There is apparently no extraordinary decrease in employment in Albany,¹² Long Island City,¹³ or Binghamton.¹⁴ The number out of work is given as 800 in Kingston,¹⁵ 200 to 300 in Oswego,¹⁶ 1,000 in Newburg.¹⁷ The unemployed of Utica,

¹ *Brooklyn Eagle*.

² Hon. D. A. Boody, mayor; Brooklyn Bureau of Charities.

³ John S. Adams, Commissioner of City Works.

⁴ Mr. Oscar Craig, president of the State Board of Charities.

⁵ Hon. Richard Curran, mayor; Mr. J. W. Oothout, president of the Society for the Organization of Charity.

⁶ *Ibid.*

⁷ *Rochester Democrat*, December 13.

⁸ Miss Marion I. Moore, assistant secretary of the Charity Organization Society, December 8.

⁹ *Buffalo Enquirer*, December 11; despatch in *Boston Herald*, December 11.

¹⁰ *Ibid.* ¹¹ *Ibid.* ¹² Mayor. ¹³ Mayor's secretary, December 5.

¹⁴ Mayor. ¹⁵ Mayor. ¹⁶ Mayor. ¹⁷ City clerk.

on the other hand,—largely operatives in textile industries,—are said to number about 10,000.¹

Albany has added \$10,000 to the usual relief fund,² Syracuse³ and Cohoes⁴ have organized citizens' committees, a loan fund association is proposed in Watertown,⁵ an Industrial Wood-yard has recently been established in Troy.⁶

NEW JERSEY.

The number of unemployed in Jersey City is much larger than usual, but no estimates are given. Many are said to have drifted in from other places. The Newman Industrial Home has issued meal tickets to be given to those asking for food, and is starting a wood-yard and lodging-house.⁷

Only 10,000 of the estimated 50,000 of the laboring population of Newark are, it is stated, employed on full time. It is said that nearly 20,000 have no work at all for the present.⁸ The greatest sufferers are the hatters, tanners, and tailors, many of whom have been idle since early in July.⁹ The Citizens' Aid Committee is registering applications, and has distributed aid to over 700 heads of families.¹⁰ The churches and charitable societies are reported to have assisted 18,000 of the poor.¹¹

In Paterson 50 per cent. of the working people are said to be idle. The city has assisted them by additional employment on streets and sewers and by constructing a new city hall.¹² It is stated that the public funds have become depleted, and the authorities have appealed to citizens for subscriptions.¹³ They are making special efforts to relieve distress.¹⁴

Perhaps 33 per cent. are idle or employed on half time in

¹ Mayor, December 4.

² Mayor.

³ *Syracuse Standard*, December 9.

⁴ Mayor, December 2.

⁵ *Watertown Times*, November 29.

⁶ *Albany Telegram*, December 2.

⁷ Mr. G. W. Parks, general secretary Young Men's Christian Association.

⁸ *Newark Advertiser*, December 5.

⁹ *Ibid.*

¹⁰ *Advertiser*, December 5, 6.

¹¹ *Ibid.*, December 5.

¹² Mayor.

¹³ *Boston Herald*, December 17.

¹⁴ Mayor; *Paterson Call*, November 30.

Trenton.¹ There is said to be great distress.² A Relief Committee has been appointed, and \$10,000 is being raised to relieve destitution.³

The unemployed in Elizabeth are estimated at 2,000. An organization for relief has been formed.⁴ Distress is reported at Camden and funds are to be raised by a committee.⁵

PENNSYLVANIA.

A police census taken in Philadelphia during November showed 46,859 people out of employment who a year ago were earning regular wages.⁶ Probably two-fifths of this number are women. The highest estimate of the total number given now out of work has been 90,000. While this is felt to be an exaggeration, good judges think that the number will reach 75,000 by the first of January.⁷

The work of relief is mainly in the hands of the Citizens' Permanent Relief Committee, which was organized seventeen years ago to deal with any public emergencies that might arise, and has perfected an admirable organization and method of relief. It has thirty-seven auxiliary branches, each with its own subordinate organization, and each responsible for a definite portion of the city. The committee provides food twice a week to those on its lists; it pays rents in advance upon condition that the tenant "continue in possession without restraint during the time for which the rent is paid, any arrear rent to be a question of the future between the tenant and landlord";⁸ and to known and worthy persons, who will not accept charity, it makes loans payable without interest at their convenience. The committee had expended about \$20,000 up to December 21. No special public works have been

¹Chief of the New Jersey Bureau of Statistics and Industry.

²Trenton *Times*, December 6, 7.

³*Ibid.*, December 7; New York *Times*, December 18.

⁴Mayor.

⁵Boston *Herald*, December 14.

⁶Mr. R. Blankenburg, of the Citizens' Permanent Relief Committee.

⁷*Ibid.*

⁸General Plan of Operation, Form D.

undertaken to afford employment, but street repairs usually abandoned in cold weather have been continued.¹

No public works have been undertaken or, apparently, contemplated; and the Permanent Relief Committee is looked to for necessary relief.

The number of unemployed in Allegheny is estimated by the mayor at 8,000,² by the chief of the Department of Charities³ at 10,000. A large local employer of labor estimates that there are 16,000 out of work in Pittsburg.⁴ Much distress is reported by the local press in both cities.⁵

The two cities are co-operating, in order to prevent imposition on the part of unworthy applicants for assistance. There have been several conferences of the two mayors and of leading citizens.⁶ Both cities are pushing public works. Allegheny is discussing extensive improvements in the water supply system,⁷ and the city government is preparing to expend considerable amounts through the charity department.⁸ In Pittsburg extensive improvements in the parks are to be brought about through private subscriptions. It is proposed to raise \$100,000 for this work, and the wealthy men of Pittsburg are said to be behind the undertaking.⁹ A census of the unemployed has been instituted under the direction of the Department of Public Safety.¹⁰

5,000 people are said to be out of work in Reading,¹¹ 6,000 in McKeesport,¹² 2,000 in Pottsville.¹³ There are thought to be over 500 more than usual at this season in Erie. In Williamsport one-fifth of the working people are said to be

¹ Rev. Joseph May, pastor First Unitarian Church, December 20.

² Hon. W. M. Kennedy. ³ Mr. Barton Grubbs. ⁴ Mr. Flinn.

⁵ Pittsburg *Post*, November 2, December 6, 7; *Leader*, December 6; *Dispatch*, December 3, 13.

⁶ Pittsburg *Gazette*, December 6; *Dispatch*, December 5, 8.

⁷ Pittsburg *Post*, December 5.

⁸ Pittsburg *Dispatch*, December 13; Pittsburg *Leader*, December 6.

⁹ Pittsburg *Dispatch*, December 8; *Gazette*, December 13; Boston *Post*, December 13; Boston *Herald*, December 13.

¹⁰ Pittsburg *Dispatch*, December 13. ¹¹ Mayor. ¹² Mayor.

¹³ *Industrial World and Iron Worker*, November 16.

unemployed.¹ In McKeesport the Ministers' Relief Committee and the mayor are trying to provide employment and assistance.² In Williamsport public work has apparently been prosecuted in part to afford employment.³ Harrisburg is said to have done something in the way of providing public employment, and such action has been urged by the Board of Trade.⁴ 100 men have been put to work on the streets in Altoona by the aid of funds subscribed for this and other relief, amounting in all to \$5,000 a month for five months.⁵ The city council is expected to appropriate about \$2,000.⁶ The York Benevolent Society has issued a special appeal to aid the "thousand of men out of work" in that city.⁷ Organization to render assistance is being discussed in Wilkinsburg.⁸

MARYLAND.

There may be some 10,000 people out of work in Baltimore.⁹ A great many usually independent families are this year forced to apply for relief.¹⁰ The Charity Organization Society has dreaded a revival of the soup-houses and other well-meant but probably demoralizing methods of relief resorted to last winter;¹¹ and at its instigation many prominent citizens have recently formed a Central Relief Committee, "not with the idea of forming new and unnecessary charitable machinery, but to emphasize, first of all, the necessity of supporting, by increased contributions, the regular charitable agencies of the city, and then to meet the needs of our own citizens and relieve the city of the army of vagrants by providing relief in work."¹² The committee also offers to establish a stone-yard,

¹ City clerk. ² *McKeesport Herald*, December 2. ³ City clerk.

⁴ Report of special committee of Board of Trade, October 17, in local papers.

⁵ *Dispatch*, November 29. ⁶ Mayor, December 7.

⁷ *York Dispatch*. ⁸ *Wilkinsburg Independent*, December 6.

⁹ Mr. A. B. Howard, Jr., chief of the Bureau of Industrial Statistics.

¹⁰ Miss M. E. Richmond, general secretary Charity Organization Society, December 5.

¹¹ *Baltimore Charities Record*, October, 1893.

¹² *Baltimore Herald*, December 7; *Sun*, December 7; *American*, December 7.

if the city will purchase the stone. It urges that funds be contributed to enlarge the Friendly Inn and establish branch lodging-houses where the work test shall be used, in order to "relieve the charitable public of a heavy burden, and the workingman of a dangerous rival."¹ At last accounts funds were being contributed for these purposes, in rather small amounts.²

There are few unemployed in Hagerstown. Public works which were begun before the depression will employ a body of men through the winter.³

DISTRICT OF COLUMBIA.

There is every winter a considerable body of destitute people in Washington, composed largely of negroes, many of whom migrate to the city from Maryland and Virginia.⁴ There is said at present to be "greater destitution than ever before known at this time of year, there being a vast army of unemployed, and men pleading for food who have never before been compelled to seek aid."⁵ This is largely owing to the scarcity of work during the summer, which was so marked that even then "there were many applications for assistance, chiefly for money for rents."⁶

Nothing unusual has as yet been done to relieve distress. Washington has six temporary homes, which give some 25,000 free "lodgings" in the course of a year,⁷ and a new municipal lodging-house, to which Congress appropriates some \$6,000.⁸ The total appropriation for charities is \$14,000.⁹ There is an Associated Charities organization, and the usual private charitable agencies.

There has been some discussion of special organization and effort; and Rev. Dr. Sunderland has suggested a mass meeting of charity workers and leading citizens, to take measures for

¹ *Baltimore Herald*, December 7; *Sun*, December 7; *American*, December 7.

² *Baltimore World*, December 13. ³ Mayor.

⁴ Major Moore, in *Washington Star*, December 6.

⁵ *Washington Star*, November 30. ⁶ *Ibid.*, December 6.

⁷ *Report of Superintendent of Charities of District of Columbia*, 1892, p. 44.

⁸ *Ibid.*, p. 46. ⁹ *Washington Star*, December 6.

providing and disbursing a fund adequate to the emergency.¹

The commissioners of the District have a plan on foot to render \$53,000 of the appropriations for highways immediately available, with a view to pushing the work and giving employment. The commissioners state that this amount "can be advantageously as well as humanely expended during this winter. Its immediate availability would provide employment to many men who would otherwise be forced to idleness, and in some cases doubtless become objects of public charity."² This project may very possibly be nipped in the bud by the withholding of the required Congressional assent.³

VIRGINIA.

There are more unemployed in Richmond than in normal years, particularly in the iron industries.⁴ The city has appropriated \$2,000 for the purchase of coal for outdoor relief.⁵ It is presumed that there may be 1,000 out of work in Norfolk.

In Lynchburg there are stated to be hundreds of men who cannot get work.⁶ A meeting of citizens called by the mayor has requested the city government to institute public improvements.⁷ The city council of Petersburg has recently voted \$1,500 for food and fuel for the poor,⁸ and the Citizen's Relief Committee has recommended the establishment of one or more soup-houses.⁹

WEST VIRGINIA.

There are over 3,000 people out of work in Wheeling, largely in the iron and glass industries. A considerable part

¹ *Washington Post*, December 1.

² *Ibid.*, December 12.

³ *C. Washington Star*, December 4; *Post*, December 9, 12.

⁴ Mayor, December 6.

⁵ *Richmond Dispatch*, December 5.

⁶ Mayor's address, in *Lynchburg News*, December 8; *Advance*, December 1, 6.

⁷ *Lynchburg News*, December 12; *Advance*, December 12.

⁸ *Petersburg Index Appeal*, December 2. ⁹ *Ibid.*, December 5.

of the idleness is the result of labor difficulties.¹ Soup-houses are under consideration.

OHIO.

A police census of Cincinnati, taken in October, by direction of the mayor, shows the following results:—

Total number of unemployed workingmen in the city of Cincinnati, 5,149.
 " " " members of families, 16,296.
 " " " " " who are now employed, 1,075.
 " " " " unemployed on one-half time, 424.
 " " " " " one-third time, 109.
 " " " belonging to building associations, 373.
 " value of property of unemployed as represented by census, \$321,-
 130.00.²

As compared with a year ago the numbers of different classes employed are given as follows:—

	Men.	Boys.	Women.	Girls.	Totals.
Total number employed, 1892,	54,892	6,514	8,783	4,815	75,004
" " " 1893,	49,041	6,250	8,290	4,408	67,984
Decrease, 1893,	5,851	262	493	413	7,020 ³

The methods of relief adopted furnish an example of co-operative action on the part of public authorities, charitable organizations, churches, and the like.⁴ The city appropriated \$30,000 to the Park Board, which is being expended in improvements that under ordinary conditions would have been delayed.⁵ This measure met with some opposition, and caused the resignation of one member of the Park Commissioners.⁶ The Associated Charities made vigorous appeals for unity and organization of effort; and, although they met with opposition, the work has been organized under a committee which has the co-operation of the mayor, the Chamber of Commerce, and most of the churches, and which employs

¹ Mayor; *New York Tribune*, December 3; *Boston Herald*, November 23.

² Hon. J. B. Mosby, Mayor.

³ *Ibid.*

⁴ Mr. P. W. Ayres, general secretary of the Associated Charities.

⁵ Hon. J. B. Mosby, Mr. G. T. Thayer.

⁶ Mr. G. T. Thayer.

the machinery of the Associated Charities. Up to October 14 this committee had received \$8,191.68, and expended \$1,981.38, over \$1,800 of which was given out in return for work in the labor yard.¹ Miscellaneous and sporadic methods of relief have been deprecated and held in check.²

The number unemployed in Cleveland is said by the president of the Chamber of Commerce not to exceed 8,000.³ A more recent estimate by the secretary of the Central Labor Union is from 20,000 to 25,000.⁴ The city has as yet undertaken no special public works; but the work already in progress has been pushed to the limit of the funds available,⁵ and extensive street and sewer improvements are said to await only the assent of the State legislature.⁶ There is a good deal of destitution reported.⁷ The charitable societies are working in co-operation, largely through the Bethel Association. The work test is applied as far as the amount of work that can be found allows.⁸

Columbus is said to have 4,000 people unemployed. The city has increased public work; and a Public Relief Committee has been organized,⁹ with auxiliary committees.¹⁰ The local Trades Assembly has protested that it has been ignored in the appointment of the committee.¹¹

The Associated Charities in Toledo have registered over 700 applicants for work in two days.¹² There are said to be 1,000 unemployed in Dayton,—a great diminution from the number out of work in the summer. The city has returned to the practice of sweeping the streets by hand.¹³ In Zanesville, where perhaps 1,000 are out of employment,¹⁴ and in Hamil-

¹ October Circular of Information of Associated Charities.

² Mr. Ayres. *C. Reports of Evangelical Alliance Committee, October 23, of Relief Committee, October 5, and Circulars of Associated Charities.*

³ Mr. H. R. Groff, president Chamber of Commerce.

⁴ Mr. Isaac Cowen, secretary Central Labor Union, December 18.

⁵ Mr. J. Hossack, mayor's secretary.

⁶ Mr. Groff.

⁷ *Cleveland World*, December 1, 8; *Plain Dealer*, December 6, 11.

⁸ *World*, November 29, December 10.

⁹ Mayor; local newspaper.

¹⁰ *Columbus Dispatch*, November 28.

¹¹ *Ibid.*

¹² *Toledo Blade*, November 28, 29.

¹³ Mayor's clerk.

¹⁴ Mayor.

ton, citizens' committees are raising funds.¹ Unusual dearth of employment is reported from Youngstown,² Springfield,³ Canton,⁴ Akron,⁵ and Ironton.⁶

INDIANA.

It is estimated that the industrial depression has thrown out of work between 3,000 and 4,000 persons in Indianapolis, a large number of whom have been without work since early in the summer.⁷ There are said to be altogether nearly 5,000 unemployed in the city. Probably not over 1,000 are wholly without resources; but the number of dependants is increasing, and it is anticipated that there will be necessity for much relief during the winter.⁸

There were meetings of the unemployed during November with a view to call attention to their condition, but these have been abandoned since agencies of relief have been developed.

The plans adopted are the result of wise co-operation and united action. The city has ordered a considerable amount of public improvement which would not otherwise have been undertaken at this time.⁹ Little of this public employment, however, has as yet been made available.¹⁰

The main part of the work of relief is under the control of the influential Commercial Club, acting with the co-operation of the mayor, the Board of Trade, and the Charity Organization. Its carefully elaborated plan of activity contemplates (1) the registration of the unemployed, (2) efforts to secure temporary employment through public contracts and such work as can be provided by citizens, (3) leniency toward worthy people in regard to rent and the like, (4) protection of resident workingmen from an influx of outsiders, (5) the establishment, if it becomes necessary, of a place where sub-

¹ *Cincinnati Commercial Gazette*, November 28.

² *Alliance Leader*, November 23; *Youngstown Telegram*, December 5, 7.

³ *New York Times*, December 9.

⁴ Mayor.

⁵ *Akron Beacon*, December 7.

⁶ *Ironton Register*, November 30.

⁷ Mr. William Fortune, of the Commercial Club Relief Committee.

⁸ Mr. Fortune.

⁹ Mr. J. W. Smith, secretary of the Board of Trade.

¹⁰ Mr. Fortune.

stantial food can be bought at a nominal price, (6) improved arrangements for medical attention to the sick poor.¹

Registration on a systematic plan² was begun about the middle of November, and some 1,200 applications for work were registered in the following three weeks. Temporary employment was provided by citizens and private contractors for about one-fifth of the applicants. An "ample supply of food" is sent each week to dependent families, at a cost of about \$1 a week for a family of four. The work is affirmed to be conducted "in such a way that no person residing in Indianapolis need suffer for food."³ At the same time the committee is prepared to deal vigorously with tramps⁴ and impostors, and no abnormal influx seems to have been brought about.⁵ The most noticeable feature in the measures adopted is the attempt to prevent by co-operation any duplication of assistance, imposition, and "an untimely exhaustion of the charitable forces which it is necessary to conserve in every way possible, to enable the great burden to be borne throughout the time of need."⁶

It is thought that perhaps 2,200 may be out of employment in Terre Haute.⁷ A mass meeting was held November 26 to raise funds to relieve distress.⁸ The street railway employees have circulated a paper asking that a portion of each man's wages be given for the relief of the destitute. The Charity Society is distributing bread.⁹ In Vincennes there are many needy persons, and the Associated Charities will probably be revived.¹⁰ Converse and other towns are suffering to some extent.¹¹ In Brazil over 200 families are in want, and a Relief Committee has been formed.¹²

¹ Report of Relief Committee to Board of Directors.

² Cf. forms used for "applicant's register."

³ Mr. Fortune.

⁴ Indianapolis *Sentinel*, November 29.

⁵ Mr. T. A. Hildreth, general secretary Young Men's Christian Association; Mr. T. F. Colbert, superintendent of police.

⁶ Mr. Fortune.

⁷ Mayor.

⁸ New York *Tribune*, November 26.

⁹ Terre Haute *Express*, November 26.

¹⁰ Vincennes *Sun*, December 9.

¹¹ Converse *Journal*.

¹² Chicago *Inter-Ocean*, December 10; New York *Tribune*, December 9.

ILLINOIS.

The extraordinary local conditions make the experience of Chicago in dealing with the unemployed during the last six months the most noteworthy instance in the recent development of the problem in American cities. During the preparation of the Exposition a great influx of working people was attracted by high current wages and by the prospect of employment. The extraordinary chances of living upon their own wits and other people's resources doubtless attracted a great throng of professional idlers, adventurers, and semi-criminals of all sorts and degrees.

Then came the panic, depression, and consequent shutdowns of the summer. The number discharged is, of course, very uncertain. The Statistician of Factory Inspection estimates it at 100,000.¹ Rev. James G. Inglis, the secretary of the Ministers' Relief Committee, gave the same estimate in an address delivered early in September. A police census, taken during the third week in September, when the revival of business had considerably improved the conditions, and embracing 2,200 establishments, mainly large factories and wholesale stores and lumber yards, gave the following result: ordinarily employed, 186,000; employed at said date, 111,000; unemployed at said date, 75,000; per cent. of unemployed, 40.3.² The same percentage applied to the 450,000³ said to have been employed before the depression in manufacturing, building, transportation, wholesale trade, commercial and financial undertakings, etc., would indicate a temporary idleness of some 180,000 persons. A large reduction ought to be made for the less percentage of idleness among employees in offices, hotels, and so on. On the other hand, the amount of enforced idleness in some trades may perhaps have been correspondingly greater. Thus the United Carpenters' Council claims that in September only 20 per cent. of the 12,000 members were at work.⁴ Mayor Harrison is reported to have put the number of the unemployed at 200,000.⁵

¹ Letter from Mr. Joseph Greunhut, Statistician of Factory Inspection.

² Statistician of Factory Inspection.

³ *Ibid.*

⁴ Mr. Nagle, secretary of the Master Carpenters' and Builders' Association.

⁵ Secretary Children's Aid Society.

The idle men congregated day by day around the raised statue of Columbus in the Lake Front Park, discussing the situation in groups or listening to such speakers as cared to address them.¹ During the last week in August these meetings assumed considerable importance in the public eye. At first orderly enough, they developed on several days into incipient riots, and had to be forcibly suppressed by the police,² with some use of clubs, but without any very serious consequences. There were rumors in the papers of attempts on the part of the crowd to loot the great store of Siegel, Cooper & Co. and of the assembling of desperate men with concealed weapons, which seem to have had little foundation. On one or two days the police force made a somewhat formidable display of its power. The crowd was generally composed of the rougher elements of the population, and might perhaps have developed riotous proclivities if not held in check.

The demonstrations culminated in a meeting of a very different character, held August 30, under the auspices of the United Carpenters' Council and other labor unions, with the consent of the mayor, and addressed by Mr. Henry George, President Samuel Gompers, Bishop Fallows, and perhaps twenty other speakers on as many aspects of the labor problem. Although over 10,000 men were grouped about the speakers' stands, there was no sign of disorder.³

The object of this great mass meeting was to compel the citizens of Chicago to recognize the great number of the unemployed. In this it was, apparently, successful. At the suggestion of a conference of citizens⁴ the mayor had already appointed a large Labor and Temporary Relief Committee; and an Executive Finance Committee of fifteen—a sort of inner circle of the large labor committee—was organized on the day after the meeting of the unemployed.⁵ This last com-

¹ Various Chicago daily papers.

² Mr. M. Brennan, general superintendent of police. See also *Daily News*, August 28, 29; *Herald*, September 2; *Post*, August 28; *Tribune*, August 31; *Record*, August 31, etc.

³ Chicago *Tribune*, August 31; *Record*, August 31.

⁴ Mayor Harrison's letter, published in *Chicago News*, August 29. ⁵ *Ibid.*

mittee secured the employment of 1,400 men on the drainage canal by the co-operation of the drainage board and the contractors.¹ Over five-sixths of this number remained at this work, at any rate, through September.² The committee also induced several large manufacturers to start up, "mainly to give employment to their own unemployed."³ Further, it employed some 2,000 men, at \$1.00 a day, in grading and cleaning the streets.⁴ These were selected from about 3,000 men registered by the committee: only resident citizens, and, in general, only men with families dependent upon them, were given this work.⁵ The committee ran temporarily into debt about \$18,000.⁶ Its total expenditures amounted to \$25,265.42, the total receipts to \$25,640.83.⁷ The committee had made a vigorous call for \$300,000 "to meet the present emergency,"⁸ but without success. The emergency work could not have lasted very long, and the efforts of the committee were probably lessened by the feeling that "the immediate requirement for work of this kind seems to have largely disappeared."⁹ The committee, feeling that it might possibly "be standing in the way of other committees of a similar nature which would be organized for the permanent assistance of the unemployed," resigned December 5.¹⁰

There were many other attempts to relieve the distress, on the part of missions, churches, and individuals. Considerable quantities of bread were distributed by the Chicago *Mail*, and by Mr. Kopperl, Mr. David Kallis, and others, who devoted themselves to the work.¹¹

The conditions apparently improved greatly during the last weeks of the Exposition; but a relapse has followed, and there is seemingly much more real distress than during the summer.

¹ Report No. 1 of Executive Finance Committee to mayor, September 15.

² Report No. 2, September 30. ³ *Ibid.* ⁴ *Ibid.*

⁵ Letter from H. G. Selfridge, chairman of Executive Finance Committee.

⁶ *Ibid.* ⁷ Treasurer's report, in Chicago *Post*, December 4.

⁸ Report No. 2, September 30, and various documents of the committee.

⁹ Letter from chairman, November 14.

¹⁰ Letter of resignation, in Chicago *Post*, December 6.

¹¹ *Daily News*, August 29, September 6; *Chicago Mail*, September 1.

The original Executive Finance Committee, in its letter of resignation, predicts that "there will be a much greater demand during the coming winter for assistance of a similar nature."¹ Colonel W. P. Rend, the chairman of the Chicago Labor and Temporary Relief Committee,—now disbanded,—says: "Silence, inaction, or apathy in the midst of such distress as exists in Chicago at present would be a crime. . . . Famine is in our midst. Chicago is to-day two cities,—a city of plenty and a city of poverty."² The papers are full of accounts of destitution among the school-children,³ the servant-girls,⁴ the homeless people that seek shelter in churches and public buildings, the poorer residents of the north, south, and west sides.⁵

The number now out of employment is stated to be 100,000;⁶ or, again, the number is given as 117,000.⁷ A canvass by the various relief committees is said to have shown 2,000 starving people in the city, and it is estimated that 15,000 or more are without supplies of food or fuel.⁸ While there may be something of exaggeration in these reports,⁹ the situation is, at best, extremely serious.

The citizens of Chicago are grappling with the problem with characteristic energy, and a multitude of plans and measures for relief have been developed. Charity balls, amateur minstrels, theatrical performances,¹⁰ and the like, to raise funds, are announced in the papers.¹¹ Many restaurants and private individuals are giving away food.¹² Several churches have been turned into temporary barracks.¹³ The police stations

¹ *Chicago Post*, December 4; *News*, December 6.

² *Chicago Post*, December 9.

³ *Ibid.*, December 8, 9.

⁴ *Chicago Tribune*. ⁵ *Chicago Times*, December 7; *Record*, December 11.

⁶ Colonel Rend, in *Chicago Post*, December 4; *News*, December 6; despatch to *Boston Journal* and *Boston Post*, December 11, etc.

⁷ *Chicago Times*, December 10.

⁸ *Boston Globe*, December 14.

⁹ *C. Chicago Herald*, December 10.

¹⁰ Joseph Jefferson gave a performance for this object December 15.

¹¹ *Herald*, December 10; *Inter-Ocean*, December 10.

¹² *Chicago Journal*, December 11; *Chicago Times*, December 6; *Inter-Ocean*, December 10.

¹³ *Inter-Ocean*, December 11; *Chicago Dispatch*, December 8, etc.

are crowded with lodgers,¹ and even the city hall has been pressed into service to furnish shelter for several nights to from 1,000 to 1,500 men.² The city authorities have hired rooms on Wabash Avenue, where homeless men are given comfortably warm quarters; and similar municipal lodging-rooms will probably be provided in two other divisions of the city.³ Ministers and charity workers are organizing, and developing measures of relief in all quarters of the city. An "Immediate Aid Society,"⁴ a "Brotherhood Employment Bureau,"⁵ an "Endeavor" relief headquarters, and several extensive soup-houses are among the agencies already at work. An arrangement has been made whereby the poor are allowed to get loads of wood from the débris of the World's Fair.⁶

Cook County has appropriated \$80,000 to be spent in supplies for the poor during the winter.⁷ Monthly⁸ allowances of coarse food and coal and some clothing are distributed, according to the size of the families applying. The office of the county agent is daily thronged with men and women,—Bohemians, Italians, Poles, Hebrews,⁹ and many other nationalities,—who, in the words of a local newspaper, "trample over one another in a mad endeavor to get bread."¹⁰

Larger and more comprehensive plans of relief are on foot. Mr. William T. Stead, editor of the *Review of Reviews*, has stirred up the Trade and Labor Assembly to appoint committees and to consider a plan of "labor camps," or public shelters, with provision for employment.¹¹ The new Civic Federation—a society for the improvement of municipal conditions, recently organized largely through Mr. Stead's efforts—proposes to take an active part in the work of organizing and furnishing relief.¹² The most important under-

¹ *Inter-Ocean*, December 11; *Chicago Times*, December 11.

² *Inter-Ocean*, December 11.

³ *Chicago Tribune*, December 13.

⁴ *Ibid.*

⁵ *Inter-Ocean, Herald, Record*, November 30.

⁶ *Chicago Mail*, December 1.

⁷ *Chicago Tribune*, December 3.

⁸ *Inter-Ocean*, December 2.

⁹ *Chicago Tribune*, December 3.

¹⁰ *Chicago Post*, December 2.

¹¹ *Chicago Record*, December 4.

¹² *Chicago Times*, December 10.

taking, however, is the determination of the Illinois Conference of Charities and Corrections to raise \$1,000,000 to be distributed through existing charitable societies under the supervision of a committee of one hundred citizens to be appointed for this purpose.¹ The appeal issued states "that there are a sufficient number of organized charities . . . adequate to distribute the charity of the city. These organizations are fully equipped to carry on, at once economically and thoroughly, the great work of distribution."² If this project is carried out, it will furnish a most interesting experiment in the working of organized charity upon a huge scale and under most trying conditions.

These varied measures of relief, both those already in operation and those contemplated, are of course extraordinary expedients to meet extraordinary conditions. Some of them will doubtless bring serious demoralizing consequences in their train. It is admitted that there is much imposition on the part of the lazy and dishonest. Hordes of tramps are said to have been attracted to the city, and the police are planning to meet all incoming trains and send back the wanderers.³ On the other hand, there is no question that large numbers of industrious and ordinarily self-supporting people are in the greatest distress. "Want and starvation," says the appeal of the Conference of Charities, "are at the doors of thousands of the homes of our people. There are not alone those whose vices and thriftlessness have brought them into this lamentable condition; but the vast majority are those who, by reason of the closing of great manufacturing enterprises and workshops, have been thrown out of employment."⁴ The problem for Chicago, as for every great city, is to assist, whether with work or with supplies, the deserving unemployed, who are in most urgent need, and at the same time guard against imposition by the unworthy, as well as against any demoralization by injudicious methods of those whom it is sought to aid. There

¹ Resolutions adopted December 9, *Chicago Times*, December 10; *Inter-Ocean* December 10.

² *Ibid.*

³ Despatch to Boston *Herald*, December 14.

⁴ Appeal of Illinois Conference of Charities, *Chicago Post*, December 10.

are not yet sufficient data¹ even to indicate how wisely and effectively this problem is being met. Amid the diversity of plans and measures, however, two noticeable tendencies have shown themselves. These are, in the first place, efforts toward organization and systematic co-operation among the various agencies. The attempt, secondly, of the early fall to provide work through committees and public agencies has been abandoned; and the method of direct and unrequited relief by the provision of food, clothing, and shelter, with only a nominal requirement of work, has been everywhere substituted.

Quincy reports no unusual number of unemployed, and no lack of opportunities for work;² but its condition is exceptional.

Decatur,³ Danville,⁴ Bloomington,⁵ and Champaign⁶ are experiencing unusual distress and organizing relief measures. The Citizens' Relief Committee of Rockford is establishing a soup-house.⁷ Joliet has about 5,000 out of work,⁸ and Peoria⁹ probably twice the usual number.

MICHIGAN AND WISCONSIN.

The number of the unemployed in Detroit is estimated by the Trades Council at 25,000.¹⁰ Other estimates received by the writer run from 15,000¹¹ to 20,000.¹² The Poor Commissioners are giving assistance to cases found worthy upon detailed investigation by the police, and have established a store where supplies will be distributed.¹³ "The greatest caution

¹ Dr. Hourwich and students of the University of Chicago are collecting statistics in regard to the condition of the poor which promise to be of great value.

² Mayor, December 9.

³ Quincy *Whig*, December 7; Chicago *Record*, December 11.

⁴ Danville *News*, December 4. ⁵ Bloomington *Pantagraph*, December 1.

⁶ Champaign *Gazette*, December 6.

⁷ Chicago *Record*, December 11. ⁸ Mayor. ⁹ Mayor.

¹⁰ As the result of an investigation kindly instituted at the request of the *Quarterly Journal of Economics*, by Mr. Philip A. Loeroch, secretary of the council of Trade and Labor Unions, December 18.

¹¹ Mr. N. McPherson, secretary of the Board of Public Works.

¹² Mr. J. F. Martin, superintendent of poor.

¹³ Mr. Loeroch.

will," it is affirmed, "be taken to prevent unworthy persons from receiving aid, so that those who are really in need can be better supplied."¹ The commissioners estimate that 10,000 families, or 40,000 persons, will have to be helped.² Their present funds will probably last through January. Some \$25,000 worth of provisions was distributed co-operatively by the Poor Commissioners and Associated Charities on Thanksgiving Day, mainly to people whose cases had been previously investigated.³ The city has pushed public work as much as possible,⁴ and \$100,000 is said to have been appropriated partly for the purpose of providing employment.⁵

Most of the estimates of the number out of work in Milwaukee run from 15,000 to 20,000. One estimate is as low as 10,000.⁶ One reaches 35,000.⁷ The mayor writes that figures obtained from the trades-unions indicate from 12,000 to 15,000.⁸ There has been some slight exodus from the city to the pineries: no considerable influx of population is thought to have occurred.⁹

During the summer there were minor disturbances among unemployed men, and on one occasion several hundred marched to the city hall to demand employment;¹⁰ but there has been no serious trouble.

The suspension of the bank in which the funds of the city and county were largely deposited has precluded any special public employment, but extensive operations already under way have been carried forward.¹¹ Assistance is being given to the needy through the ordinary channels,—the county poor

¹ *Free Press*, December 3.

² *Ibid.*

³ *Ibid.*, November 30.

⁴ Mr. Martin, Mr. McPherson.

⁵ Mr. A. L. Parker. This, however, seems doubtful from Mr. Loerch's statement.

⁶ Mr. J. T. Jansen, chief of police.

⁷ Mr. H. C. Samuels, corresponding secretary of the Typographical Union.

⁸ Hon. John C. Koch, mayor.

⁹ Mr. J. W. La Fleur, editor *Industrial Register*; Mr. H. Furness, secretary of the Iron and Steel Workers' Amalgamated Association; Mr. Samuels; Mr. T. E. Camp, secretary of the Charity Relief Association; Hon. John C. Koch.

¹⁰ Hon. John C. Koch.

¹¹ Hon. J. C. Koch, *Milwaukee Herald*, November 11; Mr. Jansen.

office, the Associated Charities, and other societies.¹ Some specially donated funds are being distributed by the police to meet urgent necessities.²

The greatest distress in the two States has been among the iron miners of the border towns of Ironwood and Bessemer in Michigan and Hurley in Wisconsin. There are reported to have been 20,000 persons reduced to destitution by the long-continued inactivity of the iron mine.³ The more favored citizens of both States have recently given generous assistance to the almost starving people. When Governor Peck, of Wisconsin, arrived in Hurley with a special trainload of provisions, November 26,⁴ the citizens were notified by the ringing of the fire-bells that assistance had come. General Alger headed a similar relief expedition to the Michigan towns.⁵ The miners are reported to be resuming operations.⁶

Muskegon, Michigan, has, perhaps, 1,000 people out of work. It has given extra employment on street improvements.⁷ Saginaw has carried on more paving and sewer work than usual. It is thought that the winter will demand \$10,000 extra expenditure in relieving the poor.⁸

Beloit, Wisconsin, is said to have many unemployed people and a good deal of destitution.⁹ In La Crosse new street railways and public works have afforded considerable employment.¹⁰

MINNESOTA.

The most careful estimate that has been received from Minneapolis places the number of the unemployed at 6,000.¹¹

¹ Hon. J. C. Koch, *Milwaukee Evening Wisconsin*, November 27.

² *Milwaukee Sentinel*, December 4.

³ *Chicago Herald*, December 2; *Boston Herald*, November 17.

⁴ *Minneapolis Tribune*.

⁵ *Detroit Free Press*, December 5; *Chicago Herald*, December 2. *C. Milwaukee Journal*, November 27; *Sentinel*, December 1; *Detroit News*, November 28.

⁶ Despatch to *Boston Globe*, December 22. ⁷ Mayor, December 5.

⁸ City clerk. ⁹ *Janesville (Wis.) Gazette*, December 5.

¹⁰ President of the Board of Public Works.

¹¹ Estimate prepared for the *Quarterly Journal of Economics*, by Mr. George D. Holt, secretary of the Associated Charities.

This amounts to only about 3 per cent. of the total population.¹ Other estimates are 5,000 to 7,000² and 10,000 to 15,000.³ Probably 80 per cent.⁴ are fairly to be counted as residents of the city, though some of them are away during portions of year.⁵

The city has undertaken no special measures of relief, beyond an employment bureau improvised in the summer, which sent, perhaps, 1,000 men into the harvest fields of the Dakotas.⁶ The city council refused the request of a citizens' committee to provide employment in opening new streets.⁷ The county has, however, done something in the way of pushing public work.⁸ No other unusual measures of relief appear to have been adopted.

The estimates of the number out of work in St. Paul vary from 2,500⁹ to 4,000 or more. Some 1,800 were registered by the Citizens' Relief Committee from among those who had resided six months in the city, had relatives dependent upon them, and were willing to work for \$1.00 a day.¹⁰ This committee was organized late in September,¹¹ and, with \$14,000 appropriated by the city, had by the middle of November given some employment to 1,749 men upon the roads and parks,¹² amounting in all to about 12,500 days' labor during October and November.¹³ It is stated that the men will be kept at work by private subscriptions until the 1st of January, when large funds will be at the disposal of the city council.¹⁴

¹ 164,738 (1890). ² Mr. Mathias Gross, superintendent of workhouse.

³ Mr. O. T. Erickson, secretary Single Tax League.

⁴ Mr. Holt, Mr. Erickson.

⁵ Mr. Holt.

⁶ Mr. C. L. Snyder, superintendent of the poor; Mr. Holt, Mr. Erickson.

⁷ Mr. William Dye, secretary Trade and Labor Assembly, December 17.

⁸ Mr. Erickson.

⁹ Mr. W. L. Wilson, chairman of the Citizens' Relief Committee.

¹⁰ Mr. Wilson; Mr. H. H. Hart, secretary of the State Board of Corrections and Charities.

¹¹ St. Paul *Globe*, September 26.

¹² Local papers, November 10, 13, October 20, November 19.

¹³ *Pioneer Press*, December 6.

¹⁴ *Ibid.*, December 2, 6.

The following figures as to the nationality and the length of residence in St. Paul of the men employed are of interest:—

American, English, and Scotch, 17 per cent.; German, 25 per cent.; Scandinavian, 19 per cent.; Irish, 16 per cent.; Bohemian, Polish, Hungarian, 14 per cent.; Italian and French, 9 per cent. 71 had lived in St. Paul 6 months to 1 year; 200 had lived in St. Paul 1 to 3 years; 209 had lived in St. Paul 3 to 5 years; 620 had lived in St. Paul 5 to 10 years; 427 had lived in St. Paul 10 to 15 years; 222, length of residence not given.¹

Duluth reports 2,000 idle. The county and city have established a cheap restaurant, where meals can be had at from three to five cents. The county pays \$1.00 a day for chopping wood on its timber lands.²

KENTUCKY.

The number of the unemployed in Louisville is larger than usual, but undetermined;³ and there is an unprecedented amount of destitution.⁴ Nearly all the men in the building trades are said to be idle. The city is asked to parcel out the work of stone-breaking to the unemployed.⁵ The city is distributing 50,000 bushels of coal through the Charity Organization Society.⁶

In Lexington a Union Relief Society, the object of which is "to furnish the necessities of life to the *bona fide* citizens of Lexington and suburbs, and as far as possible to provide work for them,"⁷ was organized December 5.⁸

Covington has appropriated \$20,000 to be used in giving work in quarrying and breaking stone. A Relief Committee has provided food for the needy. There are about 2,000 unemployed.⁹

¹ Local paper, November 19.

² Mayor's secretary.

³ Mr. R. H. Blair, president of the Louisville Charity Organization Society, December 9.

⁴ Dr. Edwin Hawes, of the Charity Organization Society, in *Louisville Courier Journal*, November 30.

⁵ *Ibid.* ⁶ *Courier Journal*, December 6; *Louisville Commercial*, December 7.

⁷ *Lexington Transcript*, December 9. ⁸ *Ibid.*, December 6. ⁹ Mayor.

TENNESSEE.

In Chattanooga, where there are perhaps 300 to 500 out of work, the city has provided for citizens of six months' residence employment on streets and parks at 80 cents per day for men, 40 cents per day for youths, giving men with dependent families four days' work each week, single men two days' work.¹ The plan has proved successful, and will probably be continued through the winter.²

Nashville is said to have about 1,000 unemployed, of whom a considerable proportion are thought to be new-comers. The Citizens' Committee has distributed food, and provided a limited amount of employment.³ Memphis also reports about 1,000 unemployed.⁴ Knoxville has been partly tided over difficulty thus far by public works that were in progress; but that must soon cease. A relief committee is under consideration.⁵

NORTH CAROLINA.

There are probably no extraordinary numbers out of employment, and no special measures of relief have been necessary.⁶

SOUTH CAROLINA.

Charleston is thought to have more unemployed than usual.⁷ Spartanburg reports the present number at from 50 to 100.⁸ Columbia⁹ and Anderson¹⁰ show no noticeable increase. No unusual methods of relief have been resorted to in these places.

GEORGIA.

Atlanta added \$5,000 to its appropriation for street work, largely in order to give employment. Some 1,500 or 2,000

¹ Mayor.

² Mayor. It is interesting to note the striking similarity between this and the Lynn plan. See p. 170.

³ Mayor, December 5.

⁴ Mayor.

⁵ Treasurer, December 5.

⁶ Mr. B. R. Lacy, chief of the Bureau of Labor Statistics; mayor of Charlotte.

⁷ Mayor, December 3.

⁸ City treasurer.

⁹ Mayor.

¹⁰ Mayor.

people are judged to be out of work.¹ The number unemployed in Savannah is "slightly increased."² There are probably from 10 to 20 per cent. more than usual in Augusta, the number being made up largely of new arrivals.³

FLORIDA.

Jacksonville always "winters" a certain number of tramps. Some few resident cigar-makers and saw-mill hands are out of work. The total number of unemployed is probably not over 700.⁴ Conditions in Pensacola⁵ and Key West⁶ seem to be satisfactory.

ALABAMA.

The unemployed in Alabama seem to be drawn largely from the iron and steel industries. The number of unemployed in Birmingham was estimated at 1,000 in September, decreasing to 400 or 500 in the two following months. The mayor writes that about two-thirds were *bona fide* residents;⁷ but a local paper speaks more recently of "a vast horde of tramps, more or less deserving," which "the closing down of the great industries of the country has turned loose upon us."⁸ "The United Charities, hotels, and wholesale stores have provided food and clothing for the unemployed."⁹ The United Charities are organizing district committees of ladies to report "every deserving case"; and "every woman who has a heart inclined to charity" is enjoined to "cease her voluntary gifts, and unite in administering to the deserving poor."¹⁰ It is stated that "the United Charities can get through the winter on a thousand dollars,"¹¹ and this sum is being raised by subscription. Montgomery has had, according to the mayor, no unusual number of unemployed. He anticipated, however,

¹ Mayor, December 6.

² Mayor.

³ Mayor.

⁴ Mayor.

⁵ Mayor.

⁶ Mayor.

⁷ Mayor.

⁸ Birmingham *Age-Herald*, December 5.

⁹ Mayor.

¹⁰ Birmingham *Age-Herald*, December 5.

¹¹ Birmingham *News*, December 6.

some idleness, mainly among the negroes, after December 1, when "the crops are all gathered and housed."¹

MISSISSIPPI.

Vicksburg has about 1,000 unemployed, largely negroes.² Natchez reports no more than usual.³

LOUISIANA.

New Orleans, in common with certain other Southern cities, is every winter the abode of a considerable number of migratory tramps.⁴ There is also a considerable influx of *bona fide* workmen⁵ who find work through what is in New Orleans the busy season.⁶ Both of the classes of immigrants have been considerably augmented this year by the adverse conditions of the North, and particularly of the silver States. In November the city was preparing to receive some 1,000 miners who were reported to be on the road from California.⁷ New Orleans people seem to consider as great exaggerations the newspaper reports that several thousand men have drifted into the city.⁸ The labor agent, acting under the direction of the mayor, has obtained employment for over 500 men, and announces that he can find places for as many more as are willing to work on the plantations or levees. He has also provided temporary free lodging and board for new arrivals.⁹

TEXAS.

Fort Worth,¹⁰ Austin,¹¹ and Houston¹² report no unusual number of unemployed.

¹ Jno. G. Crommelin, mayor.

² Mayor.

³ Mayor.

⁴ President Johnston, of Tulane University.

⁵ Mr. James Sherrard, general secretary Young Men's Christian Association.

⁶ Walter C. Peirce, secretary of the Conference of Charities.

⁷ President Johnston.

⁸ Rev. Walter C. Peirce. Cf. remarks of Miss Kate Field at the recent Music Hall meetings in Chicago.

⁹ Local paper.

¹⁰ Mayor.

¹¹ Mayor.

¹² Mayor, December 11.

ARKANSAS.

Little Rock is reported to have about 1,000 unemployed, mostly "floaters."¹

MISSOURI.

Mr. W. L. Sheldon, the lecturer of the St. Louis Ethical Culture Society, has ascertained, as the result of personal letters, that 250 establishments, ordinarily employing 47,049 at this season of the year, are employing at the present time (about November 20) 40,111. Eliminating certain public departments included in the above returns, the numbers become 41,724 and 34,781 respectively; and the decrease becomes 6,993, or 16.7 per cent. of the number ordinarily employed. The figures "do not cover the great element in domestic and personal service, and also deal only slightly with the enormous class doing 'piece-work' in the homes." About one-half the decrease, or "8,526, would be covered by the reductions made in thirteen firms. 104 employers, applying to 18,000 or 19,000 [employees], report having made no changes at all. 9 or 10 mention a very slight increase. The heaviest reduction appears among contractors, where it averages about one-half."² 34 contractors, ordinarily employing 1,800, have reduced their help to 690.³ Mr. Sheldon declines to draw any inferences in regard to the total number of unemployed in St. Louis. A local paper, however, estimates upon the basis of his figures that they number 18,000.⁴ The secretary of the Trade and Labor Union and editor of the *Courier*, "the national single-tax newspaper of the United States," gives the much more radical estimate of 75,000.⁵ The writer is not informed upon what evidence this last estimate rests. It would amount to

¹ Mayor.

² Eben Reed, secretary of the Masonic Board of Relief, also writes that fully one-half in the building trades are unemployed.

³ W. L. Sheldon, circular letter, "The Employed and Unemployed of St. Louis," December 9.

⁴ St. Louis *Republic*, December 11.

⁵ Mr. Sheridan Webster, in letter, November 25.

something over 18 per cent. of the total population,¹ and seems upon the face of the matter, as well as in the light of Mr. Sheldon's careful figures, very wide of the mark.

Beyond the raising of some \$8,000 by a concert at the request of the police,² no unusual means of relieving distress have been adopted, although special action by the city government is under consideration,³ and the charitable societies are making special efforts.⁴

No estimate of the numbers out of work in Kansas City has been received. A local paper speaks of "thousands of people" with no resources "to tide them over a period of idleness."⁵ The mayor writes that the "number is not as large as was expected."⁶ The unemployed, he states, "consist mainly of two classes: first, those who have been thrown out of employment by a general reduction in every line of business; and, second, those who have drifted in from other localities, hoping to find employment here. The latter class are the more numerous, and consist largely of unskilled labor."⁷ The chief of police regards "most of the unemployed as transient people."⁸ There is considerable destitution, particularly among the colored people;⁹ and the Provident Association, which maintains a wood-yard, a stone-yard, and a woman's work-room, and furnishes food and clothing to the destitute, has made a special appeal for funds.¹⁰

St. Joseph is thought to have 2,000 to 2,500 unemployed, something over a third of whom are probably women. Public works are contemplated as a measure of relief.¹¹

¹ 415,770 (1890).

² Mr. Laurence Harrigan, chief of police.

³ Hon. Charles Nagel, president of the city council; *St. Louis Chronicle*, November 14; *Republic*, November 25.

⁴ Rev. C. Zeigler, secretary of the Arch-diocese of St. Louis; local papers.

⁵ *Kansas City Times*, December 1.

⁶ Letter from mayor, December 7.

⁷ *Ibid.*

⁸ Mr. T. F. Speer, chief of police; Mr. N. W. Casey, secretary of the Provident Association.

⁹ Despatch in *Minneapolis Tribune*, December 2; *Kansas City Times*, December 1.

¹⁰ *Kansas City Times*, December 1; Mr. Casey.

¹¹ Mayor, December 8.

NEBRASKA.

In Omaha the number of unemployed may be 1,500 to 2,000,¹ of whom one-fourth² to one-half³ are said to have drifted into the city largely from other States. No unusual means of relief have apparently been resorted to. A soup-house is, however, under consideration.

The number of unemployed in Lincoln is said to have increased 50 per cent. in the past six months. The Charity Organization Society has made special appeals for funds.⁴

IOWA.

The insignificant numbers reported out of work by the mayors of Burlington, Davenport, Des Moines, Sioux City, and Dubuque, seem to bear out the assertion of one of them that "the fair State of Iowa has not felt the jar of falling financial, industrial, and mercantile interests, as have her unfortunate sisters to the West, North, and East." A Sioux City paper, however, says that "the very heart of the town is moved by tales of destitution and suffering"⁵ therein. Des Moines⁶ and Sioux City⁷ report public work prosecuted in order to give employment.

KANSAS.

Governor Lewelling has recently issued a somewhat remarkable manifesto, declaring the vagrant law of the State unconstitutional, and instructing the metropolitan police force not to molest tramps or homeless wanderers.⁸ The governor says in explanation:⁹—

There is nothing especial in the circular to cause any alarm in the public mind or to justify the newspaper criticisms of my motives. The

¹ Mr. John Laughlin, secretary of the Associated Charities; Mr. A. W. Clark, superintendent of the Omaha City Mission.

² *Ibid.* ³ Mr. P. W. Birkhauser, chairman of the Board of Public Works.

⁴ Mayor. ⁵ *Sioux City Journal*, November 30. ⁶ Mayor.

⁷ Mayor. ⁸ *Boston Herald*, December 10, 11; *Globe*, December 18.

⁹ *Memphis Star*, December 6.

circular was inspired simply by natural humanity. Kansas has her share of 3,000,000 unemployed workmen in the United States, and these men should not be put in jail and made to suffer degradation for no other reason than that they are out of money. It is no crime to be without visible means of support. I was in that condition once, in 1865, in Chicago. I was no thief, but I was a tramp, in the present acceptation of the term; and, had I been picked up by the police, I could not have found honest work. My circular only applies to men who are in enforced idleness. To that class the rock-pile shall be abolished in Kansas so long as I am governor. Men who commit offences against society are not protected by this circular.

The newspapers report that since the issue of this manifesto tramps and vagrants are flocking to Kansas in great numbers, and that there is a marked consequent increase in petty crimes and in unpaid freight business for the railroads.¹

There is said to be great destitution among the farmers of Western Kansas;² but this destitution has apparently no connection with any scarcity of employment.

Atchison, the only city heard from, has perhaps 100 people without employment.³

OKLAHOMA.

There are thought to be 300 unemployed in Guthrie, an increase of one-half as compared with last year.⁴ The mayor of Oklahoma City writes that the place now harbors 400 idle gamblers, all skilled laborers, "who will resume as soon as the grand jury adjourns."⁵ Aside from this evidence of temporary depression, the industries of the town are in flourishing condition.

WYOMING.

Work is less easily obtained than usual in Laramie.⁶ The percentage of unemployed in Cheyenne is no greater than in previous years.⁷

NORTH DAKOTA.

Bismarck reports 300 out of work.⁸ Grand Forks about the usual number for this season of the year.⁹ Migratory tramps

¹ *Boston Journal*, December 11, 27; *Boston Herald*, December 11.

² *Boston Herald*, December 3.

³ City clerk. ⁴ Mayor.

⁵ Mayor.

⁶ City clerk.

⁷ Mayor.

⁸ Mayor.

⁹ Mayor.

have visited Bismarck, but this "drift-wood has floated past."¹ In general, there are apparently few men out of work in the State.²

SOUTH DAKOTA.

The Commissioner of Labor Statistics, who visited in September every important town in the State, reports that the situation was not alarming, and that in most of the towns men were able to find work. Some 300 men are out of work in the mining region of the Black Hills.³ There are said to be only about 50 out of work in Sioux Falls,⁴ and "none who will work" in Yankton.⁵

MONTANA.

In Great Falls there was a marked influx of discharged miners during September, 2,000 men having been discharged from silver mines within a radius of fifty miles. The great majority of those who drifted into the city have since taken their departure. The number of unemployed remaining is about 200. The Relief Society has cared for the needy.⁶

There are said to be nearly 5,000 unemployed in Butte City, a large majority of whom have drifted in from the mines. The city has given employment by an expenditure of \$50,000 on sewers and grading.⁷

COLORADO.

The recent experience of Denver is particularly interesting on account of the large number of persons suddenly thrown out of employment and on account of the radical and apparently successful expedients adopted for their relief.

The number thrown out of work in Denver between July 1 and September 1, according to the State Commissioner of

¹ Mayor.

² Mr. Nelson Williams, Commissioner of Agriculture and Labor.

³ Mr. Walter McKay, Commissioner of Labor Statistics.

⁴ Mayor.

⁵ Mayor.

⁶ Mayor.

⁷ Mayor.

Labor,¹ was 14,000. There was besides a considerable influx of miners from other parts of the State, who naturally flocked to Denver. There are said to have been 45,084 persons thrown out of employment in the State, 22,492 of whom are reported to have left their former place of residence.² The chief of police³ and the editor of *Mining Industry and Tradesman* estimate that about one-quarter of the total number of those out of work drifted into Denver from the mining regions. This would bring the total of unemployed, both citizens and strangers, up to 17,500⁴ at its highest point. Some estimates place the total as high as 20,000.⁵ On the other hand, the mayor writes that the reports during July and August were "very much exaggerated." We may perhaps adopt 15,000 as a compromise. This would be equivalent to about 14 per cent. of the population.⁶

The unemployed who drifted into the city were mainly miners. The residents thrown out of employment came from a wide variety of trades. Carpenters, bricklayers, teamsters, railroad trainmen, salesmen, and printers are mentioned as peculiarly affected.⁷ The distress was largely among unskilled laborers.⁸ Various nationalities were represented, the Swedes being mentioned as particularly unfortunate.⁹

The influx of unemployed was apparently more than neutralized by the exodus of labor that soon followed. "Most of those who came here," writes one correspondent,¹⁰ "are now scattered from ocean to ocean." The mayor says, more specifically, that many have found work on the ranches and in recently opened gold mines. The number that left the city

¹J. W. Brentlinger, in Colorado Bureau of Labor Statistics, Bulletin No. 2 *Effects of Demonetization of Silver on the Industries of Colorado*, July 1 to August 31.

²*Ibid.*

³Mr. James C. Veath.

⁴That is, on the basis of the Labor Commissioner's figures.

⁵C. K. Couse, secretary of the Denver Typographical Union; J. C. Veath, chief of police.

⁶Population (1890), 106,670.

⁷Mr. Couse and others.

⁸Mayor Van Horn, Mr. Veath, and others.

⁹Mr. J. J. Fitzgerald, secretary of the Brotherhood of Railroad Trainmen.

¹⁰Mr. Couse.

during July and August is placed by the State Commissioner of Labor at 6,000.¹

This dispersion of the unemployed and the improvement of local conditions has greatly relieved the situation. Although some observers still rate the unemployed at 10,000,²—this figure being one-half of their estimate for July,—and although the Commissioner of Labor says that “extraordinary methods will again have to be resorted to, to care for the poor during the coming winter,”³ the general feeling appears to be more hopeful. It is hoped that less unemployed than usual will drift in from the mountains;⁴ and the mayor writes almost optimistically: “At present we do not notice any unusual number” of the unemployed. “We do not expect to have an unusual amount of suffering this winter.” “No deserving person need suffer here, if his wants are known.”

The methods adopted by the citizens of Denver to meet the sudden exigency of July are of great interest. At the beginning of the panic the city appropriated from funds on hand \$15,000 to employ men in grading the streets. This sum was soon expended,⁵ giving some ten thousand days of work to married men, at the rate of \$1.50 for one day’s labor of eight hours.⁶ More recently the city has let contracts for paving and extension of sewers,⁷ at a cost of nearly \$500,000.⁸ This last work would, however, have been done in any event. It has, nevertheless, given employment to a considerable body of men.

The plans for feeding and sheltering the unemployed, particularly the newly arrived miners, seem to have been set on foot by the Denver Trades and Labor Assembly, which obtained rooms, furniture, selected cooks and waiters from among the unemployed, and solicited supplies. The work was taken in hand by citizens’ committees; and, with the co-operation of State and municipality, shelter and two meals a day were provided for some seven weeks for 1,000 or 1,500 men at “Camp Relief,”—a camp established for this special purpose, and

¹ Bulletin No. 2.

² Mr. Couse and others.

³ Letter of Commissioner of Labor.

⁴ Mr. Couse.

⁵ Mayor Van Horn.

⁶ Mr. Couse.

⁷ Mayor.

⁸ Mr. Couse.

kept under military discipline.¹ Some \$4,000 was contributed to this enterprise, besides an immense amount of provisions, the value of which has not been computed.²

The churches and two missions, the Tabernacle and the Haymarket, also organized to help the needy.³ The latter is a remarkable institution, with departments providing "gospel services," free medicines and consultation, free reading facilities, and clothing; including, further, an employment bureau, which has secured work for 2,000 people during the past year, and having recently developed the timely adjuncts of a restaurant, a wood-yard, and a lodging-house, all three of which go by the name of Maverick. The following is an authoritative account of the relief work of these last departments:—

The Maverick Restaurant was made possible during a time of great financial stringency by the generosity of two members of the advisory board. The demand for a place, where a good meal of substantial, well-cooked food could be obtained at the minimum price, was almost universal on the part of people of scanty means. Especially was this true after Camp Relief was abolished. How the Maverick provides the meals, which it furnishes for five cents, is the wonder of all who test the food placed on its tables. 150 guests can be accommodated at a time. The restaurant has been in operation about three months, and has fed an average of 550 people per day. The restaurant pays all its bills from the receipts from the sale of tickets. The employees are each paid \$1.25 per week, and given their board and lodging. As fast as they find more remunerative employment, their places are filled from the many applicants always waiting for employment.

The wood-yard is the complement of the restaurant. After the eating-house had been established, it was found that there were many men who did not possess the nickel necessary to purchase a meal. We had no funds upon which to draw by which we could give away meals, even had that been thought wise. Most men would much prefer to earn their meals if they could but find the work. The streets of the city were lined with men begging meal tickets or money with which to purchase them. On October 4 the Maverick Wood-yard was opened, with the announcement that every destitute man who applied would be given enough work to earn three meal tickets and one lodging ticket per day. The lodgings provided are clean and comfortable. A man can earn his meals and bed in from one to three hours, and have the balance of the day to look for a better job.

¹ Mayor, Commissioner of Labor, and others.

² Commissioner of Labor.

³ Mayor.

No man has been turned away who desired to work. An average of 63 per day have been employed. The result has been that able-bodied beggars have about disappeared from the streets of Denver.¹

Concerning the efficiency and success both of Camp Relief and of the Maverick Restaurant, so far as concerns the immediate object of furnishing relief at small cost, there can be no question. Both supplied apparently "square" meals at a cost of less than five cents,²—a figure which leads one to suspect that they must have surreptitiously adopted Mr. Edward Atkinson's Aladdin oven. The Commissioner of Labor gives 12,500 as the total number receiving assistance. As to ultimate results, opinions differ. The mayor writes, "When relief was being furnished by the city, many came from the smaller towns for the relief, and many were impostors"; and another correspondent is of the opinion that the "charity was abused."³ This of course refers only to the earlier stage of the experiment, when meals and lodging were given without the corresponding requirement of work. On the other hand, the chief of police writes that "the expedient adopted has largely prevented serious trouble. Instead of demoralizing influences resulting, the unemployed men have been exceedingly sensible and orderly; and there has been less drunkenness than ever before in the history of the city."

Statistics collected by the Commissioner of Labor Statistics, "in order to ascertain as nearly as practicable the effects of the infamous attack upon silver" by "the uncrowned kings of Wall Street," and to show "the wide-spread devastation being wrought in the State through the prostration of an industry which has filled our otherwise solitary mountains with thousands of our bravest and most stalwart citizens, who have built roadways along the dizzy heights and beetling crags, where the eagle once circled in unbroken silence, amidst the awful grandeur of Nature's work in her sternest mood,"⁴ present some interesting figures in regard to the number

¹ First annual exhibit of the Haymarket Mission.

² Mayor.

³ Editor of *Mining Industry and Tradesman*.

⁴ Bureau of Labor Statistics of Colorado, Bulletin No. 2, *Effects of the Demoralization of Silver on the Industries of Colorado*.

thrown out of employment, and more especially in regard to the exodus of labor from the towns and camps most affected. The following are the figures for a few towns, and the totals for the State:—

	<i>No. thrown out of employment July 1</i>	<i>No. leaving town July 1 to Sept. 1. to Sept. 1.</i>
Amethyst,	2,000	2,000
Ashpen,	2,000	1,200
Deaver,	14,000	6,000
Leadville,	2,500	1,500
Ouray,	1,800	1,000
Pueblo,	2,500	1,500
Total for State,	45,084	22,492

ARIZONA.

The number of unemployed in Tombstone is reported to be 50.¹

NEW MEXICO.

There is said to be no marked lack of work in the Territory. In Albuquerque, which is stated to be in the same position as the other cities of the Territory, there has been little disturbance of local conditions of employment, except during July and August. The city has, however, been a place of temporary sojourn for large numbers of tramps,—as many as 160 in a single day *en route* for California, "all of whom claimed to be workingmen, but none of whom would work." The citizens have fed them, and sent them on.²

CALIFORNIA.

There are extraordinary variations in the estimates of the number out of employment in San Francisco. The secretary of the San Francisco Labor Council,³ who registers "weekly reports from over 60,000 wage-workers on the Pacific Coast," gives as an estimate based upon these trade reports 15,000 or

¹ Mayor.

² Hon. W. B. Field, mayor of Albuquerque, November 30.

³ Mr. M. McGlynn.

20,000 unemployed in the city.¹ Another correspondent² regards 25,000 as "probably a conservative estimate." On the other hand, the mayor puts the number at from 2,500 to 3,000,³ and the secretary of the Mechanics' Institute at something over 3,000.⁴ Both of the latter state the numbers out of work have been greatly exaggerated by professional agitators.

There is great variety of opinion also as to the increase of idleness as compared with the conditions a year ago. It would appear that the number out of work has increased several fold.⁵ Perhaps one-half of the unemployed might fairly be counted as citizens of San Francisco. There is a considerable drift city-ward, induced not so much by any expectation of charity as by hope of finding work in connection with the Mid-winter Exposition⁶ and by the metropolitan character of the city. Statements as to the opportunities for work on farms or vineyards within reasonable distance of the city are contradictory. Our correspondent affirms⁷ that there is plenty of work, but that the city population is unwilling to accept it. Others aver that the Chinese monopolize what few chances there are.⁸

The ordinary methods of dealing with the unemployed are: first, a wood-yard, under the control of the Associated Charities, designed to furnish merely temporary relief, which, during the three winters it has been in operation, has given employment to 6,887 men;⁹ and, second, the ordinary assistance rendered to the destitute by public agencies, the Associated Charities, the churches, benevolent associations, etc. No reply has been received which indicates that any of these agencies is making extraordinary efforts to meet the present situation.

¹ This would be about 6 per cent. of the total population (1890), 297,000.

² Mr. D. Allison, Knights of Pythias Bureau of Relief.

³ Statement received through Mr. H. H. Smith, secretary of the Board of Trade, December 18.

⁴ Mr. G. G. Ayers, December 12.

⁵ Mr. D. Allison, Mr. M. McGlynn.

⁶ Mr. D. Allison.

⁷ Rev. W. D. Williams.

⁸ Mr. D. Allison, Mr. M. McGlynn.

⁹ Circular letter of the Associated Charities, November, 1893.

The special measures of relief adopted are interesting on account of the part played by the Salvation Army. A soup-kitchen was established by citizens, but soon turned over to the Army;¹ and it is said that the Salvationists feed some 600 men daily.² In connection with this work of the Salvation Army, the plan of sweeping the streets by hand labor has been tried. The sum of \$8,000 per month was made available by the city, and the unemployed were offered work in squads of 88 men during a part of two days each week, in return for which they were to receive the board and lodgings provided by the Salvation Army for an entire week, thus affording them ample time to search for other work. The city is prepared to employ on these terms 400 men a week. The fact that during the first four days³ of the experiment less than 30 men applied daily would seem to indicate that, however large the number of men out of work may be, the amount of destitution was not at that time very great. Captain McFee, of the Salvation Army, stated, however, that he was "turning away from 50 to 60 persons every night who have no place to sleep," and that there were "many women in the city who (had) no place to sleep." The Army is endeavoring to provide additional lodging-houses for men and for women. In connection with the street-sweeping plan, it is interesting to note that "certain labor agitators are doing what they can to prevent unemployed persons from taking what is offered them in the way of work."⁴

Fresno is said to have been "overrun by the unemployed" for some days about four months ago. The citizens gave them meals for four hours' work each day on the streets. Most of them found work in vineyards or on ranches within ten days. The amount of involuntary idleness is now very small.⁵

There has been something of an influx of tramps in Los

¹ Mr. McGlynn.

² Mr. F. J. Kane, secretary of Youths' Directory.

³ November 7-10.

⁴ Mayor Elbert, in interview in *San Francisco Bulletin*, November 11. Cf. also *Examiner*, November 11.

⁵ Mayor.

Angeles. The number is said not to be diminished by the practice of the "Faith Home" and other institutions of providing free nourishment for the body as well as for the soul. The public authorities have opened a free employment bureau, and an Associated Charities Society has recently been organized.¹

Some 300 or 400 farm laborers and others are said regularly to "winter" in Sacramento. The number out of work this year is affirmed to be smaller than usual.²

OREGON.

Governor Pennoyer has written an open letter to President Cleveland, in which he says, "To-day is the first Christmas in the history of Oregon when more than two-thirds of its people are without employment, and more than one-third without sufficient means of support."³ The writer is disposed to think that the governor's estimates of the unemployed and destitute are also "without sufficient means of support."

In Salem there is a small increase in the number of unemployed.⁴ The township trustees of East Liverpool are establishing a soup-house.⁵

WASHINGTON.

The unemployed of Spokane are thought not greatly to exceed 500.⁶ Those of Tacoma number perhaps 1,200.⁷ Higher estimates are, however, current in both cities. Spokane has recently expended \$100,000 in paving. Both cities have extensive public works under way.

Local conditions in different parts of the country are so diverse and methods of relief resorted to have been so various that it is difficult to generalize. One or two statements, however, may perhaps be justified.

¹ Mayor, December 3.

² City clerk.

³ Despatch in *Boston Journal*, December 27.

⁴ Mayor.

⁵ *Salem Herald*, December 8.

⁶ Mayor.

⁷ Mayor, December 5.

As might have been expected, the regions and cities whose interests centre mainly in manufacturing and mining have borne the brunt of the enforced idleness of the past few months. The cities and towns whose prosperity is gauged by that of a tributary agricultural region have suffered least. This applies to many cities in the West and South.¹

In many cities there was a sudden suspension of industry in the summer or early fall, and great numbers of people were for a few weeks without employment. A more or less gradual resumption has since been taking place in many places, and certainly in certain great industries.² On the other hand, the demand for labor in many trades is lessened by the approach of winter; and in some cities the total number of the unemployed is thought to be increasing. It seems probable, however, that this belief is largely based upon the increasing evidence of destitution which would inevitably make itself manifest, irrespective of any increase in the number out of work, as the resources of the unemployed became exhausted by the long-continued idleness.

The measures of relief adopted are of two great classes, according as they aim, first, to distribute assistance through the ordinary channels of charity, or, when occasion demands, through special agencies; or, secondly, to provide special temporary employment.

Conservative charitable organizations naturally and rightly dread the effects of well-meant but careless and demoralizing distribution of food and other necessaries by improvised and often "popular" agencies; and in many places they succeed either in suppressing these mushroom schemes or in bringing them under their own influence. Only the greatest exigency can justify the distribution of relief by improvised and inexperienced agencies.

Employment has been provided in a considerable number of cities by means of an increase in the amount of public work,

¹ For a summary of estimates by States, cities, and towns, see the table on p. 257.

² Cf. files of trade journals; e.g., *Industrial World* and *Iron Worker* and *Manufacturers' Gazette*, September—November.

paid for by special loans or appropriations. In some cities new public works have been begun or anticipated with the object of furnishing work. In others existing public works have been pushed forward at a somewhat augmented rate. The amount, however, of such special public employment,—partly, no doubt, because of the difficulty in negotiating loans, and partly on account of the approach of winter,—has not been so large as might have been expected.

An interesting modification of the plan of public employment is the raising of the necessary funds by private contributions, the work itself being usually carried on under the direction of public officials. In emergency employment upon public works, whether with public or contributed funds, special arrangements are often made to restrict the work to resident heads of families and to limit the amount granted to any one man in the interests of the whole number of applicants. Resumption of ordinary industry, however, restoring the unemployed to the work to which they are accustomed, is of course the great means that must be counted upon to relieve the present distress.

CARLOS C. CLOSSON, JR.

PAIN-COST AND OPPORTUNITY-COST.

In defending the standard theory of value against the attacks of the Austrian economists, Professor Macvane uses the following language:—

The classical conception of cost may not be without flaw, but it has at least the merit of addressing itself to those features of production that men must always and everywhere *feel* as cost. The cost that comes home to producers in the form of tired muscles and tedious waiting for the enjoyable fruits of labor, is not one that finds expression in terms of utility or value. It looks to the production of things that have utility and value: it is itself, however, the conscious sacrifice of present ease and enjoyment for the sake of obtaining "utilities fixed and embodied in material objects." And, after all has been made that can be made of the Austrian theory of cost [which regards cost as depending upon the value of the products], this other very real cost remains to be considered. It will refuse to be dropped out of the economic horizon so long as men regard labor and waiting as burdensome sacrifices. Finally, the observed tendency of value to conform to cost in this sense will have to be explained by economists; and those who maintain that value is fixed by marginal utility have still a good deal of explaining to do under this head.*

This passage is quoted as illustrating or suggesting the imperfections of both the classical and the Austrian conceptions of cost. In a later part of the present paper an attempt will be made to defend the marginal utility theory in its relation to costs, but it must be conceded that Professor Macvane's criticism is well taken. If all the elements of production, including the different classes of labor, have their values determined through the value of their products, it is evident that a very important subject is left out of consideration, or at most left quite in the background; namely, the quantity of unpleasant sensations which the production of the different commodities requires. This most vital element of cost, which comes from

* "Marginal Utility and Value," *Quarterly Journal of Economics*, April, 1893, p. 269. See also "The Austrian Theory of Value," by the same writer, in the *Annals of the American Academy of Political and Social Science*, November, 1893.

"tired muscles and tedious waiting," is considered by Professor Patten the only element that deserves the name of cost.* It is largely through the reduction of this pain-cost in proportion to the utilities produced that economic progress is manifested.

That this discomfort element of cost deserves more careful attention on the part of economists is unquestionable, but I think that Professor Macvane is wrong in considering cost in this sense the general basis of the ratios of exchange in modern transactions. A scientist receives twenty-five dollars for delivering a lecture, and pays the same amount to a laborer for constructing a drain from his cellar. May we then expect that the scientist and the laborer have suffered the same amount of disagreeable sensation in performing their respective services? Of course, we must not stop with the consideration of the disagreeable feelings (if there were such) experienced in merely delivering the lecture. The ability of the scientist is doubtless due in part to extended training, and this training may have been unpleasant and wearisome. If so, some small fraction of this pain must be added to the immediate discomfort of preparing and delivering the lecture. Thus in some such cases we might find a considerable pain-cost on the part of the lecturer; but, if our scientist deserves that name, and enjoys good health, he would probably report that every part of his preparation and service gave him pleasure rather than pain, and that he limited his efforts in one direction, not on account of the pain which accompanied them, but because they interfered with more fruitful opportunities in other directions. When all the discomforts involved in rendering the twenty-five dollar services are added together, if the laborer proves to suffer the most, it does not necessarily follow that his pay will tend to rise relatively to that of the lecturer.

But it may be said that the services of the scientist bring a high price because his special ability is rare, and the scarcity interferes with the economic forces which would otherwise

* "Cost and Expense," *Annals of the American Academy of Political and Social Sciences*, May, 1893. Waiting, however, is excluded from cost by Professor Patten.

be operative. This is undoubtedly true, but the theory of value which omits the element of scarcity has but slight application in the economic world. What class of labor, of land, of capital goods, can be supplied without limit? A limited supply is always given as one of the primary requisites for value. So long as the supply of every grade of labor and service is limited, and limited largely by conditions which the difference in price cannot overcome, there can be no direct relation between the pain involved in production and the exchange value of the product. The mere fact that different grades of labor receive different rewards for the same amount of painful effort tends to increase and perpetuate the inequality, by giving the higher grades the greater opportunity for self-improvement. We ought not to speak of the higher grades of labor as having a monopoly value; for they are not united under one control; but they have an advantage over the lower grades because they are more efficient. The complicated processes of modern production make it difficult to compare the pain involved in making different commodities; but, if we consider the pains endured in productive labor by the different people of our acquaintance, and compare the pains with the values produced, we shall certainly find that the rule of equal values for equal pains is not the law which actually determines exchange ratios. The fact is too obvious to need further illustration.

Not only does Professor Macvane seem to be in error when he considers "the cost that comes home to the producers in the form of tired muscles and tedious waiting" as the criterion of exchange value, but he also appears to me wrong in attributing such a doctrine to the classical theory of value. To be sure, when Adam Smith regarded labor as the true measure of value, he referred to the subjective cost which the laborer sustains in laying down "his ease, his liberty, and his happiness." But, when quantity of labor was made the basis of exchange ratios, a different conception was taken up; and quantity of labor referred to its efficacy as well as to the pain that was involved. An extract from the *Wealth of Nations* and another from Ricardo's *Political Economy* will make the point clear.

But it is not easy to find any accurate measure either of hardship or ingenuity. In exchanging, indeed, the different productions of different sorts of labor for one another, some allowance is commonly made for both.*

In speaking, however, of labor, as being the foundation of all value, and the relative quantity of labor as almost exclusively determining the relative value of commodities, I must not be supposed to be inattentive to the different qualities of labor, and the difficulty of comparing an hour's or a day's labor in one employment with the same duration of labor in another. . . . The estimation . . . depends much on the comparative skill of the laborer and intensity of the labor performed.†

John Stuart Mill took a slightly different though similar position when he observed (Book III. chap. iv., iii.) that things "which are made by skilled labor exchange for the produce of a much greater quantity of unskilled labor," and that "the relative wages of the labor necessary for producing different commodities affect their value just as much as the relative quantities of labor." It was left for Cairnes to give the first extended consideration to the relation of different grades of labor to value, but the passages quoted above are sufficient to show that the classical economists did not regard pain-cost as the regulator of exchange ratios. If we turn to Marshall, who presents the classical theory in its most advanced form, we find the following statement:—

It is commonly said that the tendency of competition is to equalize the earnings of people engaged in the same trade or in trades of equal difficulty; but this statement requires to be interpreted carefully. For competition tends to make the earnings got by two individuals of unequal efficiency in any given time, say a day or a year, not equal, but unequal; and, in like manner, it tends not to equalize, but to render unequal, the average weekly wages in two districts in which the average standards of efficiency are unequal.‡

Perhaps too much space has already been taken to establish a point which, when plainly stated, very likely neither Professor Macvane nor any one else would deny; but, if cost in the form of disagreeable sensations is not the basis of the ratios

* *Wealth of Nations*, Book I. chap. v.

† *Ricardo's Political Economy*, chap. i. sect. 2.

‡ *Principles of Economics*, p. 578, second edition.

of exchange, it is of great importance that we recognize the fact, so that we may look unhesitatingly for a more satisfactory solution of the problem.

That the exchange value of commodities which are subject to free competition tends to correspond with the cost of production has been recognized from the beginning of economic theory, and must in some sense be true. But what is commonly summed up in the term "cost" is not principally the pain of weariness on the part of the laborer, and of long delay in consumption on the part of the capitalist; but the cost consists for the most part of the sacrifice of opportunity. A certain man cannot afford to keep books at \$100 a month. Why? Because he can earn \$200 as superintendent of the shops. Another or the same man cannot afford to work over six days in the week, because such action would deprive him of important opportunities for pleasure and advancement. A farmer cannot afford to use a certain lot for pasture, because it yields him greater profit as meadow. The laborer stops work at a certain hour, not simply because he is tired, but because he wants some opportunity for pleasure and recreation. That which gives a man strength in his demand for higher pay is the fact that he is able to secure higher pay elsewhere. By devoting our efforts to any one task, we necessarily give up the opportunity of doing certain other things which would yield us some return; and it is, in general, for this sacrifice of opportunity that we insist upon being paid rather than for any pain which may be involved in the work performed.* The poor woman who can earn no more will work hard and late for a dollar; but, when an increased demand for her special ability gives her other opportunities, she will ask for better terms.

It has often been observed that even the most common

* At first thought, one might suppose that, to an ambitious person, the sacrifice of an opportunity would cause pain, and thus render the distinction between pain-cost and opportunity-cost of little importance. No doubt the real loss or abuse of an opportunity would be painful to a sensitive mind, but to choose the best of a number of mutually excluding opportunities should cause no regrets! To the healthy mind nothing is detracted from the pleasure of a chosen course of action by the fact that another course approximately as good might have been chosen. Rather such an alternative would often add to one's enjoyment by relieving anxiety. It is only when, by mistake, one has chosen the less profitable course that the loss of opportunity becomes painful.

unskilled labor is not all painful. The wages given for the first hour of a day's work are not paid on account of any discomfort endured; but the laborer secures just as much pay for the first hour as for the last, because it could be utilized for other purposes to just as good advantage. His power for doing work is an opportunity to him which he cannot afford to transfer to his employer without some return, whether the work be burdensome or not. The pain involved in a day's work depends for the most part upon the health and disposition of the laborer. It plays an important rôle in the theory of subjective value, but has little to do with power in exchange. The subjective feelings of different individuals are not easily compared, but the economic opportunities which a man sacrifices by pursuing a certain course of action are more capable of objective measurement. These sacrifices of opportunity are what constitute the principal part of the costs of production which determine normal exchange values.

We may hope that, through the moral, physical, and economic improvement of mankind, the direct painfulness of productive labor may some time be eliminated. Remorse for wasted opportunities would still remain, and misfortunes would come laden with grief; but no one would need deliberately to subject himself to painful sensations for the sake of a livelihood. Though such were the condition of our economic life, yet productive effort would involve the sacrifice of certain opportunities for the sake of others, and the ratios of exchange would still tend to correspond to the sacrifices of production. The day is short, life itself is short, one's powers are limited, and one's possessions are seldom as large as he would like. Our opportunities, therefore, whether for pleasure, for work, or for acquisition, must be economized. It is not only our right, but it is our duty, to yield none of these opportunities without securing an adequate return. The return may be in the general form of money, or it may be in recreation, direct happiness, or the pleasure which comes from helping others and the consciousness of rectitude. In one form or another, we should insist upon a return from the opportunities which are at our disposal. That people do com-

monly demand an adequate return for opportunities sacrificed is the fact which lies at the basis of our ratios of exchange.*

But, when we once recognize the sacrifice of opportunity as an element in the cost of production, we find that the principle has a very wide application. Not only time and strength, but commodities, capital, and many of the free gifts of nature, such as mineral deposits and the use of fruitful land, must be economized if we are to act reasonably. Before devoting any one of these resources to a particular use, we must consider the other uses from which it will be withheld by our action; and the most advantageous opportunity which we deliberately forego constitutes a sacrifice for which we must expect at least an equivalent return. The sacrifice of waiting, which some writers take so much trouble to establish as a justification of interest, is almost entirely of this kind. Mr. Wanamaker, wishing to lay by something for the support of his family, has his life insured, and pays the premiums. The insurance company, if honest, has no desire to hurriedly consume the wealth that is thus placed in its hands. Why, then, is interest required upon the mortgage in which the company invests the money? It is because the possession of the capital constitutes an opportunity of some kind which the company is unwilling to forego without adequate reward. If the opportunity is not utilized in some way, the best welfare, not only of the insurance company, but of society in general, will suffer. The hardships incident upon excessive saving have an important effect upon the supply of capital, but the interest actually paid is gauged by the opportunities foregone rather than the pain endured.†

* In a torpid state of society, such as that manifested by some uncivilized races, but little attention is given to opportunities. All labor is irksome, and its cost is a pain-cost. On the other hand, in emphasizing [our duty to utilize our opportunities, I would not be thought to justify the extortions which unbalanced competition often renders possible. We should use our opportunities for helping others as well as ourselves.

† An interesting question arises as to whether there is any pain-cost corresponding to interest. As already stated, Professor Patten maintains that there is none. See the *Theory of Dynamic Economics*, Part IX., and an article entitled "Cost and Utility" in the *Annals* for January, 1893. Professor Patten is doubtless correct in assigning the pain-cost to the production of the capital rather than to abstinence from its immediate consumption; for, after the capital has been ac-

It is often said that rent does not enter into cost and price. From a certain standpoint, and with many limitations, the saying is true; but it is not always easy to find the no-rent margin or to fully convince ourselves that the price is determined there. The difficulty is obviated by considering the opportunities sacrificed in making a particular use of a particular piece of property. As a matter of fact, all business men consider the rents which they pay as a part of the expense which the price of the products must cover. In selecting a farm to work or in locating and managing a manufactory, the thrifty man chooses between higher rent and less labor or lower rent and more labor, between more capital or more labor, and between workmen of greater skill or a larger number of unskilled laborers; and all these choices are made with a view to rendering the cost of production as low as possible, in order to compete successfully with rival producers.

The use of a fruitful piece of ground for a particular purpose is as truly a sacrifice on the part of the entrepreneur, or of society in general, as the employment of a laborer, so long as both the land and the wages could otherwise be profitably employed. If all labor is included in cost, there is no reason for excluding the use of land; for, as we have seen, labor is principally an opportunity-cost instead of a pain-cost.*

quired, the question of abstinence is a choice, for the most part, between two pleasures rather than a question between a certain amount of suffering and the resulting reward. Yet, inasmuch as some positive discomfort is incurred, not only for the sake of the capital, but also for the sake of the interest alone, so far we must recognize that there is an element of pain in the cost for which interest is the reward. The pain element may be slight; but, if it were reduced to zero, much more capital would be saved. We may easily imagine a man who fully intends to build a new house with some savings which he has accumulated, but who, while waiting for the sake of more interest, endures some positive mortification in entertaining his friends in his present dilapidated quarters. If saving were carried very far, many pains of this character would be incurred; and, finally, cold and hunger might be suffered for the sake of future abundance. It is evident, I think, that the painfulness of saving as well as of producing capital helps to limit its accumulation, and that some such pain, actually endured, enters into the cost of producing commodities.

Since the above note was written, the cost of the marginal saving which is just offset by interest has been well brought out by Mr. T. N. Carver, in the *Quarterly Journal of Economics* for October, 1893.

*Professor Macvane may object to these thoughts, as he does to those of Dr. Von Wieser, on the ground that they relegate cost "to the region of the might have-beens"; but such is the very nature of costs, except in so far as they con-

To refer the ordinary expenses of production to the opportunities which must be paid for is but a short step. We must still explain how these opportunities originate, and upon what principles their relative strength is determined.

It would be well at this point to classify economic opportunities; but, as this article aims to give only the most general outline of a theory of cost, it will merely be said that some opportunities are for direct enjoyment, while others are for acquisition of wealth; some give the power of exploiting society without creating any additional utility, while others involve a real service to society fully equal to the return which can be secured; some are due to the institution of private property, patents, and other legal restrictions, while others are inherent in the nature of production with limited resources, and must be operative even under a socialistic régime. In all these opportunities we find the one common element,—a power to satisfy want. It is to utility, in connection with the limitation of supply, that we must turn for an explanation of the fact that one man earns more than another with the same exertion, that one piece of ground rents for more than another of the same size, and, in short, that the expenses of production and the ratios of exchange do not correspond to the pain-costs involved. Given a certain number of men having a certain uniform degree of efficiency, economic forces will naturally draw them to the positions where their ability is most needed. Some of the men will satisfy more urgent needs than others; but, having uniform ability, they will, in general, receive the same pay. The urgency of the need for the last man of this class fixes the pay for all. The pay represents the marginal utility of the class of labor in question.* When one

sist of direct pain. I spend a dollar for an excursion. The excursion becomes a reality, and its utility is enjoyed; but what the excursion really cost me—the utility that would otherwise have been derived from the dollar and the time—must always remain uncertain. I hire out for a year, and enjoy my salary; but just what enjoyment I sacrifice by not waiting for a better offer can never be fully known. These opportunity-sacrifices must always have the unreal character of might-have-beens, but they come near enough to existence to have the controlling influence over objective exchange values. We need no other excuse for considering them in our theory of value.

*It should be noted that, in accounting for prices or exchange ratios, all needs and utilities must be expressed in terms of the unit of purchasing power. Under

of the men engages his services, he is presumably sacrificing an opportunity of earning the marginal utility rate of pay, and no more.

The same principle applies to the other factors of production. Given a certain amount of homogeneous free capital for investment, some of it is urgently needed, and would be in demand, though the rate of interest were one hundred per cent.; but, the supply being adequate to the trustworthy demand down to five per cent., five per cent becomes the rate for all.* If a man loans his capital, it is presumably an opportunity of loaning it to some one else at five per cent. that he thereby foregoes. The same principle applies to the use of land. Given a certain number of city lots having equally advantageous positions: if free competition has full play, the ground rents will be the same for all the lots, though some of them happen to be used for much more important purposes than others. The land upon which the factory is built brings no more rent than that occupied by the laborers' dwellings, because, if a higher rent had been asked, the factory could have been placed elsewhere just as well. Like the other factors of production, the use of land also is prized in accordance with the law of marginal utility. When short periods of time and changing conditions are under consideration, the same principle must be resorted to for an explanation of the amount of income to be derived from a piece of fixed capital which cannot readily be replaced or which is out of date or dilapidated.†

Thus we find the tenets of the classical economists leading us inevitably to the tenets of the Austrian school. The values

the present system of economic life, not the wants which are really most urgent, but those which are represented by the largest purchasing power, are satisfied first. The so-called marginal utility to society therefore is really no definite utility at all, but a definite amount of money which would be offered for the last increment of the supply. The lack of purchasing power may cause needs to remain unsatisfied which are much more urgent than those felt by the marginal purchaser.

* Of course, differences of risk, trouble, and many special considerations are here neglected.

† An excellent account of the relationship between long and short periods in respect to the income derived from different forms of fixed capital is to be found in Marshall's *Principles of Economics*, Book V., chaps. v. and ix., of the second edition.

of the factors of production are imputed to them on account of their marginal utilities. It is readily seen that the utility of the means of production depends upon the utility of the products, and the position taken by the Austrians is thus vindicated.*

If we look upon society as a whole and all productive activity as a whole, only the pain endured appears as cost, and all the opportunities are found upon the side of the reward;† but, as soon as we look more closely upon our varied resources and the individual activities of economic life, we discover that many of our good opportunities are limited in number and extent, so that before devoting the opportunity to a particular activity it behooves us to consider from what other uses we are thus withholding it. Such consideration gives rise to the conception of opportunity-cost. It is not only for the painfulness of labor and waiting that we insist upon being rewarded, but also, and more largely, for the opportunities foregone in accepting a certain line of action. Opportunity-cost thus becomes the chief force which determines the prevailing ratios of exchange. But economic opportunities depend upon the power to satisfy want, and their values are imputed to them through the principles of marginal utility. The commonly accepted view that the normal values of goods that are produced under free competition correspond with the relative expensiveness of their production will doubtless remain as the most ready means of accounting in a general way for the ratios of exchange, but the sacrifices of opportunity which determine the expenses of production must find their explanation upon the side of utility.

Before closing this article, something more should be said in regard to the relation of the two forms of cost, or of cost and sacrifice as Professor Patten denominates them, in determin-

* Space will not be taken here to describe the processes through which the marginal utility of any much used factor in production is derived from the marginal utilities of its products. For a treatment of this subject the reader is referred to Böhm-Bawerk's *Positive Theory of Capital*, Book IV. chap. vii.; or to *An Introduction to the Theory of Value* by William Smart, chaps. xii. and xiii.; or, still better, to *Der natürliche Werth* by Dr. Friedrich von Wieser, Part I. Division 8.

† This thought is well brought out by Professor Patten in the articles referred to above.

ing objective values. Does the expense of producing a commodity tend to correspond to the sum of the two elements, or is it determined by the sacrifice of opportunity alone? No universal answer can be given. If the production of a certain commodity is of itself disagreeable, so that those engaged upon it feel the discomfort, then an extra wage will, in general, have to be paid in addition to that which the same workmen could obtain elsewhere; but, when the element of pain arises from individual peculiarities, it has no direct effect upon the expenses of production. The wages, salaries, and interest demanded will depend upon the opportunities to be sacrificed. The increasing painfulness of labor and abstinence, when carried beyond certain limits, has an important ultimate effect upon the expenses of production; but it is exerted only indirectly by limiting the supply of the agent in question.

DAVID I. GREEN.

JOHNS HOPKINS UNIVERSITY.

SOCIAL AND ECONOMIC LEGISLATION OF THE STATES IN 1898.

THE laws enacted from year to year by our State legislatures have a special interest for the student of sociology, as indicating certain tendencies in public opinion. Certainly, no better index can be found of the progress of politico-economic movements than is furnished by the action of the people's representatives in respect to the questions at issue. It may indeed be freely granted that such action is often not seriously meant, that it does not really give expression to the legislator's sincere convictions of public duty, that sometimes it is not honestly intended to help in executing the popular will, and that sometimes the motives behind it are, in short, those of the demagogue; and yet it remains true, to an increasing extent, that all important social and economic changes among us are sooner or later brought to the attention of our law-makers, and more often, perhaps, than we suppose, such changes are even foreshadowed on our statute books.

In any review of the legislation of 1898 the so-called "labor laws" must form a conspicuous group by themselves. Next in interest are the new laws concerning corporate property, and last, but not least in importance, a body of legislation dealing with various departments of State and municipal finance.

New laws in Indiana and Kansas require the weekly payment of wages by corporations. Indiana requires this of mining and manufacturing companies only; and Kansas excepts all railway, farm, and dairy corporations. Ohio makes it unlawful to retain any part of the wages of minors because of presumed negligence or failure to comply with rules, or for breakage of machinery, or because of alleged incompetency to produce work in accordance with any standard of merit set up by employers. It is also forbidden employers to receive

any guarantee, bonus, money deposit, or any form of security for the faithful performance of work, observance of rules, or making good of losses by minors. Parents or guardians must furnish certificates as to the age of minors. Employers must make written agreements with all minors, stating the wages to be paid, and must furnish statements of wages due. No change in wages can be made without twenty-four hours' notice. The State inspector of workshops and factories is given special powers to secure the enforcement of this law.

The coal miners of Kansas have secured the passage of a law prohibiting the screening of coal before weighing, where wage-payments are made on the basis of the quantity of coal mined. A similar statute in Illinois* was held unconstitutional on the ground that it deprived persons, without due process of law, of the property right of making contracts. (32 *North-eastern Reporter*, 364.) The law made it impossible for a miner, even if he so desired, to contract with his employer to receive wages based on the weight of coal produced by him *after* screening, such contracts being declared by the law to be null and void. The court considered this an unwarranted use of the legislative power, inasmuch as the constitution of the State protects all men in their property rights, among which the freedom to make contracts is one of the most important. In Kansas, however, there seems to be no constitutional provision prohibiting such legislation. The provision in the constitution of the United States on the same subject has never been construed by the courts as applicable to the action of State legislatures.

The new factory law in Illinois restricts the labor of women to eight hours a day, or forty-eight hours a week; and the number of required hours must be kept posted in each factory where women are employed. Other provisions of the Illinois law deal with the employment of children. None under fourteen can be employed in any kind of manufacturing. A register of all under sixteen must be kept, and the affidavit of parent or guardian as to date and place of birth must be fur-

* See "Social and Economic Legislation in 1891," *Quarterly Journal of Economics*, January, 1892.

nished in each case. A list of the names, with ages, of such children is to be kept posted in the factory where they are employed. The factory inspectors may demand health certificates in such cases. In Indiana children under fourteen can no longer be employed in the manufacture of iron, steel, nails, metals, machinery, or tobacco. In any other kind of manufacturing it is made unlawful to work children under that age more than eight hours a day. Minnesota makes it a misdemeanor to compel children under sixteen to labor more than ten hours a day in any factory or store, or to employ them at any kind of labor outside the family before seven in the morning or after six in the afternoon.

With the exception of the Illinois law (the constitutionality of which is already being sharply contested) and the Indiana and Minnesota child labor laws, there has been no radical legislation concerning hours of labor during the year. Massachusetts has adopted the nine-hour day for manual labor employed by the State government. For street railway conductors, drivers, and motormen, ten hours' work within twelve consecutive hours is to constitute a day's work. In South Carolina an eleven-hour day was established for cotton and woollen mills. Colorado adopts the eight-hour system for State, city, county, and other public works.

California has passed a "rest day" law, requiring the setting apart of one day in seven for rest from all labor, but not specifying any particular day of the week. This is in no sense a "Sunday law," and was not designed to secure religious observance, but solely to limit the week's work to six days. Employees required to labor on Sunday will thus be entitled to one other day of the week for rest.

Several laws were passed to protect factory employees against injury from defective and dangerous machinery. In Connecticut the inspector of factories is authorized to order the use of devices to remove dust in certain operations, such as buffing, polishing, and grinding metals. Minnesota requires guards to be placed about dangerous machinery. The new employers' liability act of Indiana renders the corporations liable for injuries to employees resulting from defects in the

plant, from negligence, or from any act or omission of agents. Contracts releasing such liability are declared null and void.

The legislative campaign against the "sweat-shop" evil has been vigorously carried on in New Jersey and Illinois, as well as in New York and Massachusetts, whose statutes on the subject have been detailed in previous numbers of this *Journal*. The articles of manufacture interdicted in tenements by these laws include wearing apparel, artificial flowers, and cigars. Illinois, however, like Massachusetts and New York, permits these articles to be manufactured by members of families occupying the tenements as dwellings. New Jersey requires a written permit from the State factory and workshop inspector, or his deputy. The Illinois law (which, by the way, forms a part of the factory and workshop act to which reference has already been made in this article) insists that all tenement-house workshops used by families be kept in cleanly condition, free from vermin and contagious or infectious materials of every sort, and subject to inspection. Such workshops are to be reported to the board of health. Massachusetts also incorporates in her law a proviso that dwellings used for such purposes be placed under a system of inspection, and that families so employed be licensed. Conditions of disease must be reported to the health officers. Both Massachusetts and New York now require all tenement-made goods to be labeled. In New York it is the duty of the boards of health to disinfect unclean or unhealthy goods.

In New Hampshire a State labor bureau has just been organized. The Minnesota bureau is reorganized, the commissioner being empowered to appoint one assistant, a factory commissioner, two deputy labor commissioners, and two deputy factory commissioners, one of whom shall act as inspector of railways. The Illinois factory law provides for the appointment of a chief and assistant factory inspector and ten deputies, five of whom shall be women. New York has increased the number of deputy inspectors on duty from sixteen to twenty-four, and ten of these must be women. With a view to making the statistical information gathered by the labor

bureau more available and useful, Colorado has authorized the publication of quarterly bulletins.

In Ohio a State board of arbitration has been created, similar in all respects to the boards of New York and New Jersey.* Decisions by these boards are not binding on the parties to the controversy. They are little more than convenient agencies for the voluntary submission of labor disputes. They have hardly attained as yet to the dignity of real tribunals of justice.

As a measure of protection to the labor unions, it is made a misdemeanor on the part of employers, in California, Idaho, Illinois, Indiana, and Missouri, to discharge their employees for joining such unions, or to coerce employees to enter any agreement not to join them, as a condition of employment. In Minnesota it is made a misdemeanor to require, as a condition of employment, the surrender of any right of citizenship; and in Wyoming a curious proviso has been enacted against the discharge of employees because of their nomination to political office.

"Anti-Pinkerton" laws of varying scope and stringency continue to be enacted. Most of these are intended to prevent the importation of non-resident and alien police forces; but some prohibit the organization of armed bodies of men for any purpose, applying to residents as well as to outsiders. This is the case in Washington; and in North Carolina it is unlawful for detectives in parties of more than three to go armed.

The new "anti-trust" law of Illinois is intended to reach all corporations whose business partakes in the slightest degree of the nature of a combination to restrict competition or fix prices, with the single exception of concerns dealing in farm products at first hand. Purchasers are released from liability for purchase-money when goods are bought of a "trust." Every corporation in the State is required to report annually whether any interest is held in or business done with a

* See "Social and Economic Legislation in 1893," *Quarterly Journal of Economics*, January, 1893.

"trust" of any kind. Proceedings have been begun against a large number of companies which have failed to make such a report since the law went into effect. In New York legislation was especially directed, last winter, against combinations handling commodities of common use for the support of life and health. In California the live-stock combinations were aimed at, and in Texas the great land companies.

In Illinois and North Carolina State departments dealing, respectively, with insurance and banking, were organized during the year. Maine has adopted new regulations applying to insurance companies doing business in that State. Hereafter such companies will be required to make the same deposit as the home companies. Real estate securities must be held by trustees who are citizens of the United States. The insurance commissioner is authorized to examine the books and securities of foreign companies, and to license them to do business in the State; but the license is to be revoked in case of any combination to control rates. The minimum capital required of any fire insurance company in South Dakota is \$150,000 and a deposit of \$100,000 must be made with the State Treasurer before any business can be done. In Oregon it is now lawful for an insurance company to rebuild property destroyed by fire, in lieu of cash payment of the loss.

In South Carolina and South Dakota railroad commissioners are hereafter to be elected by the people. Nebraska and Washington have obtained maximum freight-rate laws, which would have been placed on the statute books two years earlier but for the interposition of the governor's veto. The railroads are given virtually their own rates on most kinds of freight, but increase of these is prohibited. North Dakota fixes maximum freight rates on coal mined in the State. Railroad "wrecking" is made a felony in Georgia. This offence, on the part of corporation officers and stockholders, consists in any form of plotting for the depreciation of stock in market value.

During the year three States have attempted to regulate traffic in railroad passenger tickets by legislation. In Minnesota and North Dakota all ticket agents must be authorized

and licensed by the State government. Unused tickets are to be redeemed by the companies. The Texas ticket law seems to have resulted in failure already. It required merely that agents should have certificates from the companies. It is now charged that some of the companies have furnished brokers with their certificates, to the discomfiture of rival lines.

After Jan. 1, 1898, New York will require all freight cars to be equipped with continuous power or air brakes, and locomotives with driving-wheel brakes. Automatic couplers must be used after that date on all freight cars. "Coal jimmies" will also be prohibited.

Missouri undertakes the regulation of express companies as common carriers, through the State railroad and warehouse commissioners, with whom schedules of rates must be filed by the companies. The commissioners are authorized to alter and fix maximum rates, and discrimination is forbidden.

The regulation of grain elevators has become an important topic of discussion in some of the north-western States, especially since the rise of the Populist party. What is generally regarded as an extreme position on this question was taken last winter by the Minnesota legislature, which passed a law exacting license fees from all public elevators in the State, prohibiting the pooling of earnings or business, and providing for the erection and maintenance of a State warehouse and elevator. This law was contested in the courts by the owners of elevators from whom license fees were demanded. They protested that the moneys thus required by the terms of the law to be paid in for the support of the State railroad and warehouse commission were used in maintaining a competing business establishment. The commissioners were further authorized to publish market reports, and to fix charges for the storage, inspection, weighing, and handling of grain. North Dakota also made provision for a State elevator, to be erected in Minnesota or Wisconsin. One section of the law has a proviso to the effect that no money shall be expended for construction until a cession of absolute civil jurisdiction over the tract of land on which the building is to be erected shall have been made to the State of North Dakota; but the fact seems

to have been overlooked that any such cession by one State to another would require the consent of the national Congress.

While the effort to extend the functions of State governments has been more noticeable, perhaps, in those parts of the country where the "farmers' movement" has made most headway, the tendency in the direction of enlarging municipal activities is everywhere gaining strength, East and West. This is made especially evident by the various laws lately passed for the regulation of municipal ownership of gas and electric-light plants. In dealing with this question, Connecticut has attempted to establish rules for fixing the prices to be charged to consumers. As a basis, a net profit of five per cent. on the investment is taken, allowance being made of five per cent. a year on cost for depreciation of plant. No price shall be greater than shall be sufficient to yield a net profit of eight per cent. on the cost. In fixing such a basis of price to consumers, the gas or electricity used by the city, town, or borough operating the works is to be charged to it at cost. The price is not to be changed oftener than once in three months, and any proposed change must be advertised for at least one month before it can take effect. Lighting plants can neither be erected nor purchased by municipalities in Connecticut until the matter has been submitted to popular vote, and after the establishment of such works their management is intrusted to boards of commissioners. New laws in Indiana, Minnesota, and Washington authorize cities, towns, and villages to own and operate electric-light plants, water-works, and the like. In Massachusetts municipalities already owning works of this kind may purchase connected mains, poles, and wires in adjacent cities or towns, and operate the whole system thus formed as one.

In New York legislative approval has been given to the undertaking of an extensive experiment in city building. A "model town company" has been incorporated, and Niagara County has been set apart as the field of its operations. This company is empowered to build a town or city in that county, to establish therein an industrial school and "university," to

build and operate surface and elevated street railways, electric-light and power plants, water and gas works, steam-heating and pneumatic power plants, a telephone exchange, manufacturing plants of all kinds, dwelling-houses, steam railroad lines, with passenger and freight depots, and telegraph lines, and to improve public parks and grounds. The capital stock of this corporation is limited to ten millions of dollars. This is not exactly an experiment in municipal government, for in the conduct of the enterprise the individual voter, as such, has no voice; but it is a bold and decidedly interesting attempt to prove the capacity of an incorporated company to aggregate to itself a great variety of functions of a public and *quasi*-public character.

Attempts to enact and put in force more radical road legislation in the different States are becoming more frequent from year to year. In Massachusetts a State commission is charged with the collection of statistics concerning highways and the construction of a State system. Idaho is another State which has undertaken to build State roads, providing for their cost by the issue of bonds. In Oregon and Washington highways are maintained by the counties. Missouri has adopted a so-called "local option" county road law, under which the county courts appoint the supervisors. New York also permits the supervisors of any county to adopt the county system, if they see fit to do so. A county engineer is to be appointed in such a case. Indiana makes it binding on county officers to accept and keep in repair every mile of gravel road built by private enterprise. Owners of wagons with broad tires are to receive credit, in New York and New Jersey, on their road taxes. Oregon divides her share of the United States "direct tax" refund *pro rata* among the counties, according to area, to be used for roads and bridges.

The principal changes in the tax systems of the different States made during the year had to do with methods of assessing and taxing corporations and estates. Texas has provided for an annual franchise tax of ten dollars on each corporation. Alabama imposes State license fees on all corporations, doubling those to be paid by companies applying to the legislature

for special charters. It is made one of the duties of the railroad commissioners in North Carolina to assess all the railroads in the State. In Alabama sleeping-car companies are required to pay an annual privilege tax of five hundred dollars, and one dollar for each mile of road on which the cars are operated in the State. The Territory of New Mexico requires sleeping and palace car companies to pay two and one-half per cent. on gross earnings, the proceeds of the tax to be divided equally between the Territorial government and the counties through which the cars run. Texas imposes a State tax of one-fourth of one per cent. on the capital stock of such companies employed in the State.

Alabama establishes a privilege tax on express companies, basing it on the number of miles of road operated. Maine doubles her license tax on such companies, making it one and one-half per cent. of gross receipts.

In the taxation of telephone companies widely differing methods obtain in different States. Alabama is content with a State tax of one per cent. on gross receipts. Texas levies an annual tribute of twenty-five cents on each instrument in use. Maine attempts to collect two and one-half per cent. *ad valorem* on all telephone apparatus leased from or subject to royalty for use to any corporation or person beyond the limits of the State.

Maine has adopted the following plan for the taxing of building associations: Semi-annual returns of the monthly capital dues are to be made to the State Treasurer. A tax of one-fourth of one per cent. is to be levied on such dues, payable semi-annually, with exemption from municipal taxation. The real estate of such associations may be taxed by the towns in which they are located.

Three States have enacted "collateral inheritance" tax laws during the year. California takes five per cent. of the value of all estates valued at more than \$500. The proceeds will go to the State school fund. In Maine the rate is fixed at two and one-half per cent. In Ohio all estates of less than \$10,000 are exempted, and the rate of tax on those of greater value is three and one-half per cent. In Minnesota a constitutional

amendment authorizing the taxation of inheritances is to be submitted to the people next year.

Washington is the last State to adopt the "listing system" for the assessment of personal property. Oregon will hereafter refuse any deduction of indebtedness in the assessment of property. New York exempts from taxation all real property of religious, charitable, and educational corporations that is used for the purposes of the organization. The various recommendations to the last New York legislature relative to a reconstruction of the tax system of the State had no practical result.

WILLIAM B. SHAW.

NOTES AND MEMORANDA.

THE list of *quasi-encyclopaedic* compendia on political science which the students of that subject owe to the industry of the Germans is to be enlarged by the *Hand- und Lehrbuch der Staatswissenschaften*, edited by Dr. K. Frankenstein, and published by the firm of Hirschfeld in Leipzig. The first part, and the only one published so far, is Professor J. Lehr's *Grundbegriffe und Grundlagen der Volkswirtschaft*, described as an introduction to the study of political science.

STILL another is added to the already numerous series of monographs on economic subjects, in the *Münchener Volkswirtschaftliche Studien*, edited by Professors Brentano and Lotz, of which the first three numbers are noted in the bibliography of the quarter. The name indicates that the *Studien* will present the results of work done in the economic seminary at Munich; and in this case, as in others, it is not easy to say how far the new collection owes its existence to professional and university rivalry, and how far to the desire to promote the growth of knowledge and the spirit of investigation.

THE Department of Labor at Washington will issue shortly its eighth annual report and two special reports. The annual report will be on industrial education. Of the special reports, one, by Mr. J. G. Brooks, will consider the system of compulsory insurance for workmen in Germany and its working; the other, by Dr. E. R. L. Gould, will treat of the housing of laborers in different countries. The Department has in hand the ninth annual report, of which the subject will be the building and loan associations of the United States, and is also at work on a special report regarding the slums

of large cities, especially New York, Philadelphia, Baltimore, and Chicago. The student of social subjects and the advocate of social reform are alike indebted to Commissioner Wright and his able assistants for the wealth of valuable material which the Department puts at their disposal.

In the *Preussische Jahrbücher* for October and November Professor Adolf Wagner makes his contribution to the discussion of the new phase which the silver situation has assumed with the suspension of free coinage in India and the cessation of the American purchases. He writes, naturally, with reference chiefly to Germany, but with an eye to the international situation also. As to the monetary régime in Germany, he finds cause for anxiety from the presence of the over-valued thalers and the imperial treasury notes (*Reichskassenscheine*). The thalers, he thinks, should be withdrawn, and the treasury notes converted into bank-notes. To the non-German reader, and especially to the American, the dangers which he apprehends from these forms of credit money serve rather to show how much less top-heavy is the condition of the monetary structure in Germany than in other countries. If the volume of thalers and government paper is excessive in Germany, where, after all, the proportion of gold to all the other forms of cash is as two to one, what is the situation in the United States? It is true that the dangers which Professor Wagner anticipates are largely those that would arise in case of a great war; but, even with possibilities of this sort, Germany can await the further march of events with comparative composure.

All this, however, is set forth by Professor Wagner from the simple technical point of view, with regard only to the consistency and solidity of a monetary system resting on the gold standard. Whether the gold standard, and that only, should be accepted and carried out to the end, presents other and wider questions. The larger political and social aspects of the case seem to him still to speak for some form of international bimetallism. He recounts summarily the familiar

reasoning as to the struggle for gold, the high rates of discount, the decline in prices, and the burden on debtors, and lays stress also on an argument more commonly used on the Continent than in English-speaking countries, as to the handicap under which the gold standard countries will labor in international competition for the market. It is noteworthy that not only arguments of this sort, but considerations of military policy, seem to him to work against the gold standard; although, to the observer not in the current of Continental struggles, the imminent possibility of war seems to speak rather against than for the likelihood of permanent international agreements on coinage. At all events, he concludes that international bimetallism still remains the part of sound policy, and intimates further that a movement in that direction, if heartily supported by Germany, would not be hopelessly impracticable.

The future alone can show how far reasonings and predictions of this sort rest on solid ground. The future, too, is likely to bring the proof. The *status quo* will probably be retained for some time to come, with gold as the basis of the circulating medium in the advanced countries. The existing masses of over-valued silver will be retained or gradually replaced by other forms of credit money. The obstacles to any international agreement are no less than they were before, and the gold standard is likely to have a long trial. Only if the evils of this state of things prove in the long run as real and serious as is predicted by Professor Wagner and those who think with him, are we likely to have any effective movement toward a change.

RECENT PUBLICATIONS UPON ECONOMICS.

[Chiefly published or announced since October, 1893.]

I. GENERAL WORKS, THEORY AND ITS HISTORY.

COMMONS (J. R.). *The Distribution of Wealth.* New York and London: Macmillan & Co. Sm. 8vo. pp. 258. \$1.75.

KÖRNER (A.). *Unternehmungen und Unternehmengewinn.* Vienna: Manz. 8vo. pp. 88. 1.80 m.

LEHR (J.). *Grundbegriffe und Grundlagen der Volkswirthschaft. Zur Einführung in das Studium der Staatswissenschaften.* [Abtheilung (L) of Hand- und Lehrbuch der Staatswissenschaften, edited by K. Frankenstein.] Leipzig: Hirschfeld. 8vo. pp. 389. 9 m.

NAUMANN (M.). *Die Lehre vom Wert.* Leipzig: Duncker & Humblot. 8vo. pp. 79. 1.60 m.

NICHOLSON (J. S.). *Principles of Political Economy.* Vol. I. London: Black; New York: Macmillan. 8vo. pp. 458. \$3.

PETRAZYCKI (L.). *Die Lehre vom Einkommen, vom Standpunkt des Civilrechts unter Berücksicht. des Entwurfs eines bürgerlichen Gesetzbuches.* I. Band: *Grundbegriffe.* Berlin: H. W. Müller. 8vo. pp. 356. 7.50 m.

RATZENHOFER (G.). *Wesen und Zweck der Politik. Als Theil der Soziologie und Grundlage der Staatswissenschaften.* Leipzig: Brockhaus. 3 vols. 8vo. pp. 410, 370, 490. 20 m.

SCHROEDER (E. A.). *Das Recht der geschlechtlichen Ordnung. Kritisch, systematisch, und kodifiziert. Socialwissenschaftliche Rechtsuntersuchungen.* Berlin: E. Felber. 8vo. pp. 400. 12 m.

SCHROEDER (H.). *Der wirtschaftliche Wert. Begriff und Normen.* Berlin: Puttkammer & Mühlbrecht. 8vo. pp. 107. 2 m.

SUPINO (C.). *La Concorrenza e le sue più recenti Manifestazioni.* Bologna: Tip. Garagnani. 8vo. pp. 66.

TANGORRA (V.). *La Teoria Economica del Costo di Produzione.* Rome: Tip. Agostiniana. pp. 378. 4 fr.

VIDUABRE Y OBUCTA (C.). *Economia Política.* Tomo III. Tolosa: E. Lopez. 8vo. pp. 674.

WICKSELL (K.). *Ueber Wert, Kapital, und Rente nach den neueren national-oekonomischen Theorien.* [In Conrad's Abhandlungen.] Jena: Fischer. 8vo. pp. 150. 3 m.

WURST (A.). A. Thiers' *Volkswirtschaftliche Anschauungen.* [In Conrad's Abhandlungen.] Jena: Fischer. 8vo. 2.40 m.

In Periodicals.

CLARK (J. B.). *The Genesis of Capital.* Yale Review, Nov.

HADLEY (A. T.). *Interest and Profits.* Annals of Am. Acad. of Polit. and Soc. Sci., Nov.

HASBACH (W.). *Les Fondements Philosophiques de l'Économie Politique de Quesnay et de Smith.* Revue d'Econ. Polit., Oct.

HICKS (F. C.). *Walker's Shares in Distribution.* Journ. of Polit. Econ., Dec.

HOBSON (J. A.). *Subjective and Objective View of Distribution.* Annals of Am. Acad. of Polit. and Soc. Sci., Nov.

—. The Economy of High Wages. *Contemp. Rev.*, Dec.

KEASBEY (L. M.). The Economic State. *Pol. Sci. Quarterly*, Dec.

MACVANCE (S. M.). Austrian Theory of Value. *Annals of Am. Acad. of Polit. and Soc. Sci.*, Nov.

PARETO (V.). Considerazioni sui Principi Fondamentali dell' Economia Politica Pura [continued]. *Giorn. degli Econ.*, Oct.

PATTER (S. N.). The Scope of Political Economy. *Yale Review*, Nov.

RITCHIE (D. G.). Bonar's "Philosophy and Political Economy." *Econ. Rev.*, Oct.

ROSS (E. A.). "The Unseen Foundations of Society" [Review of the Duke of Argyll's work]. *Pol. Sci. Quarterly*, Dec.

RUEMELIN. Die Marx'sche Dialektik und ihr Einfluss auf die Taktik der Sozialdemokratie. *Zeitschr. Ges. Staatsw.*, 50, Heft 1.

SHELDON (W. L.). What justifies Private Property? *Int. Journ. of Ethics*, Oct.

II. SOCIAL QUESTIONS, LABOR AND CAPITAL.

AVOGADRO (A.). Per la Pace tra Capitale e Lavoro: Esperimenti e Resultati. Como: Tip. F. Ostielli. pp. 263. 2.50 fr.

CAMPBELL (H.). Women Wage-earners: Their Past, their Present, and their Future. Introd. by R. T. Ely. [Prize essay, revised.] Boston: Roberts Brothers. 12mo. pp. 318. \$1.

FANSHAWE (E. L.). Liquor Legislation in the United States and Canada. London: Cassell. 8vo. pp. 420. 2s. 6d.

FRY (J. C.). A Social Policy for the Church, and Other Papers on Social Subjects. London: Rivington. 8vo. pp. 128. 2s.

HOBHOUSE (L. T.). The Labor Movement. With Preface by R. D. Haldane. New York: G. P. Putnam's Sons. 12mo. \$1.25.

JOSEPHI (G.). Die allgemeine Existenzversicherung. 1 Band. Zürich: Verlags-Magazin. 8vo. pp. 404. 3 m.

LABOR DEPARTMENT (Board of Trade, Great Britain). Report on Agencies and Methods for dealing with the Unemployed. London: Eyre & Spottiswoode. pp. 438. 2s. 1d.

MAHAIM (E.). Les Syndicats Professionnels. Brussels: Rozex. 16mo. pp. 257. 2.50 fr.

MALLOCK (W. H.). Labor and the Popular Welfare. London: Black; New York: Macmillan. 8vo. pp. 340. \$2.

MARIN (P.). Coup d'Œil sur les Œuvres de l'Initiative privée à Genève. Paris: Guillaumin & Cie. 16mo. pp. 350.

MATHESON (A. S.). The Church and Social Problems. London: Oliphant. 8vo. pp. 376. 5s.

WORTHINGTON (L.). The Dwellings of the Poor. London: Sonnen-schein. 8vo. 2s. 6d.

In Periodicals.

BARNETT (Rev. Samuel). The Unemployed. *Fortnightly*, Dec.

CHENEY (E. P.). Peons of the South. *Annals of Am. Acad. of Polit. and Soc. Sci.*, Sept.

CILLEULS (A. des). Les Associations Professionnelles et les Physiocrates. *La Réf. Soc.*, Nov. 1.

GREEN (C. A. H.). The South Wales Coal Strike, 1893. *Econ. Rev.*, Oct.

HAMPKE (C.). Ergebnisse der obligatorischen Unfallversicherung in Deutschland für die ersten fünf Jahre ihres Bestehens. *Jahrb. f. Nat. Oek.*, 6, Heft 3.

JEANS (I. S.). The Coal Crisis and the Paralysis of British Industry. *Nineteenth Cent.*, Nov.

KING (B.). Parish Councils and Allotments. *New Review*, Nov.

LERROY-BEAULIEU (Paul). *Etudes Sociales: La Co-opération*. *Revue des Deux Mondes*, Nov. 1.

MACDONALD (J. A. M.). The Problem of the Unemployed. *New Review*, Dec.

MARIN (P.). *Les Œuvres d'Initiative privée à Genève.* La Réf. Soc., Oct. 16.

MASSINGHAM (H. W.). *The Government and Labor.* Contemp. Rev., Dec.

MAVOR (J.). *German Labor Colonies and the Unemployed.* Journ. of Polit. Econ., Dec. *Setting the Poor on Work.* Nineteenth Cent., Oct.

NASH (Vaughan). *The Lock-out in the Coal Trade.* Fortnightly, Nov.

OLIVIER (Sidney). *The Miners' Battle and After.* Contemp. Rev., Nov.

PHELPS (L. R.). *Old Age Pensions.* Econ. Rev., Oct.

PROVAND (A. D.). *Employers' Liability.* Nineteenth Cent., Nov.

ROSCHER (W.). *Zur Pathologie der Armut.* Zeitschr. Ges. Staatsw., 50, Heft 1.

SANTANGELO-SPOTO (H.). *Les Grèves d'après une Statistique Récente.* La Réf. Soc., Nov. 1.

SCHULLERN-SCHRATTENHOFEN (H. von). *La Legislazione Economico-sociale Austriaca negli ultimi anni.* Giorn. degli Econ., Oct.

TUCKER (H. F.). *Village Settlements in Victoria.* Econ. Rev., Oct.

VANLÆR (M.). *La Suppression des Bureaux de Placement.* La Réf. Soc., Nov. 16.

WILKINSON (J. F.). *The English Poor Law and Old Age.* Contemp. Rev., Nov.

WOLFF (Henry W.). *People's Banks for England.* Econ. Rev., Oct.

WRIGHT (C. D.). *Cheaper Living and Rise of Wages.* Forum, Oct.

"A LIVING WAGE." Opinions of Some Leading Statesmen, Ministers, and Journalists. *The Christian World* [London], Nov. 30.

III. SOCIALISM.

MORRIS (William) and BAX (E. B.). *Socialism, its Growth and its Outcome.* London: Sonnenschein. New York: Scribner's. pp. 341. \$1.

STAMMHAMMER (J.). *Bibliographie des Socialismus und Communismus.* Jena: Fischer. 8vo. pp. 307. 10 m.

In Periodicals.

DAVITT (Michael). *Fabian Fustian.* Nineteenth Cent., Dec.

FABIAN SOCIETY. *To your Tents, O Israel!* Fortnightly, Nov.

GUYOT (Yves). *Socialism in France.* Nineteenth Cent., Dec.

WEEDEN (W. B.). *The New Socialism and Economics.* New World, Dec.

IV. LAND.

BENTLEY (A. F.). *The Condition of the Western Farmer, as Illustrated by the Economic History of a Nebraska Township.* [Johns Hopkins Univ. Studies.] Baltimore. 8vo. pp. 95. \$1.

BUCHENBERGER (A.). *Agrarwesen und Agrarpolitik.* 2 (Schluss) Band. [In Wagner's Lehr- und Handbuch der Polit. Oek.] Leipzig: Winter. 8vo. pp. 653. 15 m.

EPPS (W.). *Land Systems of Australasia.* London: Sonnenschein. 8vo. 3s. 6d. [Announced.]

FRANKENSTEIN (K.). *Die Arbeiter-*

frage in der deutschen Landwirtschaft. Mit bes. Berücks. der Erhebungen des Vereins für Sozialpolitik. Berlin: Oppenheim. 8vo. pp. 329. 6 m.

MUTERMILCH (L.). *Crédit Foncier de France, und seine Bedeutung für den landwirtschaftlichen Grundcredit in Frankreich.* Leipzig: Koehler. 8vo. pp. 157. 2.50 m.

SCHWENDIMANN (J.). *Der Bauernstand des Kanton's Luzern ehemals und heute, dargelegt vom Standpunkt der Staatswirtschaft*

und Sozialpolitik. Luzern: Gebr. Räder. 8vo. pp. 221. 2.40 m.

In Periodicals.

CONRAD (J.). Agrarstatistische Untersuchungen [continued]. Jahrb. f. Nat. Oek., 6, Heft 4.

FERGUSON (R. M.). The Drift of Land Reform. Contemp. Rev., Oct.

HOLMES (G. K.). Investigations of Mortgages and Farm and Home Proprietorship in the United States. Journ. of Statist. Soc., Sept.

JAFFÉ (M.). Bodenrecht und Bodenvertheilung in Irland bis zum

Schlusse des siebzehnten Jahrhunderts. Jahrb. f. Gesetzg., 17, Heft 4.

LEVASSEUR (É.). Aperçu de l'Histoire Économique de la Valeur et du Revenu de la Terre en France du Commencement de XIII^e Siècle à la Fin du XVIII^e. Journ. de la Soc. Statist. de Paris, Oct.

LONGSTAFF (G. B.). Rural Depopulation. Journ. of Statist. Soc., Sept.

ZOLLA (D.). Les Variations du Revenu et du Prix des Terres en France au XVII^e et au XVIII^e Siècle. [Continued.] Annales de l'Éc. Libre des Sci. Pol., Oct.

V. POPULATION, EMIGRATION, AND COLONIES.

In Periodicals.

LA LOGGIA (E.). Teoria della Popolazione. Giorn. degli Econ., Nov., Dec.

SITTA (P.). Le Problème de l'Immigration dans les États-Unis de l'Amérique. Rev. d'Econ. Polit., Oct.

VI. INDUSTRIAL ORGANIZATION.

SINZHEIMER (L.). Ueber die Grenzen der Weiterbildung des fabrikmässigen Grossbetriebs in Deutschland [No. 3 of Münchener Volksw. Beiträge, edited by Brentano and Lotz]. Stuttgart: Cotta. 8vo. pp. 206. 4 m.

SPELLING (J. C.). A Treatise on Trusts and Monopolies. [Law

Book.] Boston: Little, Brown & Co. 8vo. \$3.50.

In Periodicals.

REGNAULT (F.) and WATON (M.). Les Nouvelles Compagnies Ouvrières. [2d article.] Rev. d'Econ. Polit., Oct.

VII. TRANSPORTATION AND EXCHANGE.

GREAT BRITAIN. First Report of the Select Committee appointed to inquire into the Manner in which Railway Companies have exercised the Powers conferred on them by the Railway Rates and Charges Acts, 1891 and 1892. London: Eyre & Spottiswoode. 4s. 3d.

MACDONALD (A. F.). Our Ocean Railways; or, The Rise, Progress, and Development of Ocean Steam Navigation. London: Chapman & Hall. 8vo. pp. 272. 6s.

In Periodicals.

JOHNSON (E. R.). Inland Water-

ways: Their Relation to Transportation. Supplement to Annals of Am. Acad. of Polit. and Soc. Sci., Sept.

PANNENBERG (G.). Die Aufgabe der Verwaltung beim Bau von Nebenbahnen. Archiv. f. Eisenb., Heft 6.

UNSIGNED. Die Eisenbahnen Deutschlands, Englands, und Frankreichs, in 1889-91. Archiv f. Eisenb., Heft 6.

WEICHS. Untersuchungen über die Grundlagen des Tarif-wesens der Seeschiffahrt. I. Artikel. Zeitschr. Ges. Staatsw., 50, Heft 1.

VIII. INTERNATIONAL TRADE AND CUSTOMS TARIFFS.

BOWLEY (A. L.). *A Short Account of England's Foreign Trade in the Nineteenth Century. With Ten Statistical Diagrams.* London: Sonnenschein. 8vo. pp. 156. 2s. 6d.

HILL (W.). *First Stages of the Tariff Policy of the United States.* Baltimore: Public. of Amer. Econ. Assoc. 8vo. \$1. [Announced.]

In Periodicals.

ATTFIELD (J. B.). *The Effect on English Trade of the Investment of English Capital Abroad.* Journ. of Inst. of Bankers, Oct.

HILL (W.). *Protective Purpose of the Tariff Act of 1789.* Journ. of Polit. Econ., Dec.

IX. MONEY, BANKING, CREDIT, AND PRICES.

BARCLAY (R.). *The Disturbance of the Standard of Value.* London: E. Wilson. 8vo. pp. 106. 1s. 6d.

CHALMERS (R.). *A History of Currency in the British Colonies.* London: Eyre & Spottiswoode. 8vo. 10s.

HAZLITT (W. C.). *The Coinage of the European Continent.* With 250 illustrations. London: Sonnenschein. 8vo. pp. 500. 21s.

LINDSAY (S. M.). *Die Preisberechnung der Edelmetalle seit 1850.* [In Conrad's *Abhandlungen.*] Jena: Fischer. 8vo. 5 m.

SEMINARIO (M. E.). *La Cuestión Monetaria en la América española.* Paris: Guillaumin & Cie. 8vo. pp. 274. 5 fr.

WEBSTER (S.). *Misuse of Legal Tender.* New York: D. Appleton & Co. 8vo. \$1.

WIRTH (M.). *Die Notenbankfrage in Beziehung zur Währungsreform in Oesterreich-Ungarn.* Frankfurt: Sauerländer. 8vo. pp. 119. 2.40 m.

In Periodicals.

CANNAN (E.). *Bimetallism: A Criticism.* Econ. Rev., Oct.

DALLA VOLTA (R.). *Italian Banking Crisis.* Journ. of Polit. Econ., Dec.

HEILIGENSTADT (C.). *Beiträge zur Lehre von den auswärtigen Wech-*

selkursen.

Jahrb. f. Nat. Oek. 6, Heft 3.

HORTON (Dana). *Current Arguments for the Outlawry of Silver.* Fortnightly, Oct.

ITALY. *Le Régime des Banques.* [Translated into Fr. of the Bank Act of August 10, 1893.] Bull. des Statist. et de Légis. Comp., Aug.

LEVY (B.). *Un Mot sur le Crédit Agricole [à propos d'un livre récent].* La Réf. Soc., Oct. 16.

NITTI (F. S.). *Die Bankfrage in Italien.* Zeitsch. für Volksw., Sozialpol., und Verw., 2, 4.

PARETO (S.). *L'Avenir de l'Union Monétaire Latine.* Bibl. Universelle, Oct.

ROSS (E. A.). *Total Utility Standard of Deferred Payments.* Annals of Am. Acad. of Polit. and Soc. Sci., Nov.

SCHWAB (J. C.). *The Financier of the Confederate States.* Yale Rev., Nov.

SMART (William). *Is Money a Mere Commodity?* Fortnightly, Nov.

TAUSSIG (F. W.). *Results of Recent Investigations on Prices in the United States.* Yale Rev., Nov.

WAGNER (Ad.). *Die neueste Silberkrise und unser Münzwesen.* Preuss. Jahrb., Oct., Nov.

WELLS (D. A.). *The Downfall of Certain Financial Fallacies.* Forum, Oct.

X. FINANCE AND TAXATION.

FLORA (F.). *Manuale di Scienza delle Finanze.* Leghorn: Tip. Giusti. pp. 467. 5 fr.

JOUBERT (A.). *Les Finances de la France. La Rente et l'Impôt, leur Origine, leur Histoire.* Paris: Guillaumin & Cie. 18mo. pp. 526. 3.50 fr.

SCOTT (W. A.). *The Repudiation of State Debts: A Study in Financial History.* New York: T. Y. Crowell & Co. 12mo. pp. 331. \$1.50.

STOURM (R.). *Systèmes Généraux d'Impôts.* Paris: Guillaumin. 8vo. pp. 430. 7 fr.

WEST (M.). *The Inheritance Tax.* [Columb. Coll. Studies in Hist., Econ., and Pub. Law.] New York: Columbia College. 8vo. 75c.

In Periodicals.

HARDING (W. P. G.). *Sectionalism in Finance.* *Sewanee Rev.*, Nov.

HECKEL (M. von). *Die Finanzen Spaniens.* *Fin. Archiv*, 1893, II.

PRUSSIA. *Les Finances Communales.* [Trans. into Fr. of the General Act of July 14, 1893.] *Bull. de Statist. et de Légis. Comp.*, Sept., Oct.

—. *Anweisung zur Ausführung des preussischen Einkommensteuergesetzes [von 24 Juni 1891] vom 5 Aug., 1891.* *Ann. des Deutsch. Reichs*, No. 11.

SACHS (L.). *Das Finanzwesen Italiens im Jahre 1892.* *Fin. Archiv*, 1893, II.

SCHANZ (G.). *Der Steuerertrag von Branntwein, Wein, Bier, Zucker, Salz und Tabak in den wichtigsten Kulturstaten [1891].* *Fin. Archiv*, 1893, II.

UNSigned. *Die Erbschaftssteuer in Preussen, Elsass-Lothringen, und den wichtigsten ausserdeutschen europäischen Ländern.* *Fin. Archiv*, 1893, II.

WIESER (F.). *Die Besteuerung ausländischer Gläubiger in Österreich.* *Zeitsch. für Volksw., Sozialpol., und Verw.*, II., 4.

XI. HISTORY, BIOGRAPHY, AND DESCRIPTION.

ASHTON (J.). *A History of English Lotteries.* London: Leadenhall Press. 8vo. pp. 370. 12s. 6d.

BARBER (E. A.). *The Pottery and Porcelain of the United States. An Historical Review of American Ceramic Art, from the Earliest Times to the Present Day.* New York: Putnam. 8vo. 25.

BRISBANE (R.). *Albert Brisbane: A Mental Biography. With a Character Study by his Wife.* Boston: Arena Pub. Co. 8vo. pp. 388. 22.

BROGLIO D'AJANA (R.). *Die venezianische Seidenindustrie und ihre Organisation bis zum Ausgang des Mittelalters.* [No. 2 of Münchener *Volksw. Studien*, edited by Brentano and Lotz.] Stuttgart: Cotta. 8vo. pp. 66. 2 m.

BUJATTISEN (F.). *Die Geschichte der Seidenindustrie Oesterreichs, deren Ursprung und Entwicklung bis in die neueste Zeit.* VI-

enna: A. Hölder. 8vo. pp. 177. 3.20 m.

FLACH (J.). *Les Origines de l'Antienne France. X^e et XI^e Siècles.* II. *Les Origines Communales. La Féodalité et la Chevalerie.* Paris: Larose & Forcel. 8vo. pp. 584. 10 fr.

FRANCKE (E.). *Die Schuhmacherel in Bayern. Ein Beitrag zur Kenntnis unserer gewerblichen Betriebsformen.* [No. 1 of Münchener *Volksw. Studien*, edited by Brentano and Lotz.] Stuttgart: Cotta. 8vo. pp. 260. 5 m.

GERSTENBERG. *Die neuere Entwicklung des deutschen Buchdruckgewerbes in statistischer und sozialer Beziehung.* [In Conrad's *Abhandlungen*.] Jena: Fischer. 8vo. 3.50 m.

JOYCE (H.). *The History of the Post-office from its Establishment down to 1836.* London: Bentley. 8vo. pp. 430. 16s.

RUSSIA. Industries of Russia. By the Department of Trade and Manufactures, Ministry of Finance, for the World's Columbian Exposition. English editor: J. M. Crawford. Vols. I. and II., Manufactures and Trade. \$3. Vol. V., Siberia and the Siberian Railway. \$1.50. St. Petersburg: C. Ricker.

SOLLY (H.). These Eighty Years; or, The Story of an Unfinished Life. London: Simpkin, Marshall & Co. 8vo.

VAUTIER (G.). La Hongrie Économique. Paris: Berger-Levrault & Cie. 8vo. pp. 490. 10 fr.

WAWS (W. T.). The South Sea Islanders and the Queensland Labor Trade. London: Sonnenschein. 8vo. pp. 452. 18s.

WEITHASE (H.). Geschichte des Weltpostvereins. Preisgekrönt. Strassburg: Heitz. 8vo. pp. 91. 2.50 m.

WUTTKE (R.). Gesindeordnung und Gesinderzwangsdienst in Sachsen bis zum Jahre 1835. Eine wirtschaftsgesch. Studie. [In Schmoller's Forschungen.] Leipzig: Duncker & Humblot. 8vo. pp. 242. 5.40 m.

ZOEPPFL (G.). Fränkische Handelspolitik im Zeitalter der Aufklärung. [In Bayrische Wirtschafts- und Verwaltungstudien, edited by G. Schanz.] Leipzig: A. Deichert. 8vo. pp. 356. 9 m.

In Periodicals.

ANDREWS (C. M.). Die Stadt in Neu England, ihr Ursprung und ihre agrarische Grundlage. Zeitschr. für Soc. und Wirthsch. Gesch., II., 1.

COGNETTI DE MARTIS (S.). Francesco Ferrara all' Università di Torino, 1849-59. Giorn. degli Econ., Dec.

EULENBURG (F.). Das Wiener Zunftwesen. Zeitschr. für Soc. und Wirthsch. Gesch., I., 243, II., 1.

HEGEL (K.). Städte und Gilden der germanischen Völker im Mittelalter. Eine Antikritik. Histor. Zeitschr. 70, Heft 3.

HOLMES (G. K.). The Concentration of Wealth. Pol. Sci. Quarterly, Dec.

LAMPRECHT (K.). Zum Verständnisse der wirtschaftlichen und sozialen Wandlungen in Deutschland vom 14 zum 16 Jahrhundert. Zeitschr. für Soc. und Wirthsch. Gesch., I., 243.

LEADAM (I. S.). Villainage in England. Pol. Sci. Quarterly, Dec.

LUDLOW (J. M.). Some of the Christian Socialists of 1848 and the Following Years. [First article.] Econ. Rev., Oct.

SCHAUBE (Ad.). Der Uebergang vom Versicherungsdarlehen zur reinen Versicherung (in the 14th century). Jahrb. f. Nat. Oek., 6, Heft 4.

SCHMOLLER (G.). Die geschichtliche Entwicklung der Unternehmung. XIII. Die Handelsgesellschaften des 17-18 Jahrhunderts. Jahrb. f. Gesetzg., 17, Heft 4.

STEPHEN (Leslie). William Cobbett. New Review, Oct. and Nov.

XII. STATISTICS.

ANNUAIRE de l'Économie Politique et de la Statistique. [By M. Block and several collab.] 1893. 50^e Année. Paris: Guillaumin & Cie. 18mo. pp. 1215. 9 fr.

FRANCE. Tableau Général du Commerce de la France avec ses Colonies et les Puissances Etrangères pendant l'Année 1892. Paris: Impr. Nationale. 4to. pp. 892.

TABELLEN ZUR WÄHRUNGS-STATISTIK. Verfaßt im K. N. Finanz-Ministerium. Vienna: Hof- und Staatsdruckerei. 4to. pp. 355.

In Periodicals.

FOVILLE (A. de). La Richesse en France et à l'Étranger. Journ. de la Soc. de Statist. de Paris, Sept.

GERMANY. Rechnungsergebnisse der Berufsgenossenschaften für 1891. Ann. des Deutsch. Reichs, No. 10.

INAMA-STERNEGG (C. T. von). Les Successions et la Richesse Publique en Autriche. Orig. in Statist.

Monatssch., 1893, I, and translated in Bull. de Statist. et de Légis. Comp., Aug.

WESTERGAARD (H.). Neue und alte Messungsvorschläge in der Statistik. Jahrb. f. Nat. Oak., 6, Heft 3.

XIII. REPRINTS, TRANSLATIONS, AND NEW EDITIONS.

BEREL (A.). Woman: Her Position in the Past, Present, and Future. Trans. from the German by H. B. A. Walther. London: W. Reeves. 8vo. pp. 260. 1s.

BRASSEY (Lord). Work and Wages. London: Longmans & Co.

Cossa (L.). An Introduction to the Study of Political Economy. Revised by the Author, and translated from the Italian by Louis Dyer. London and New York: Macmillan. 8vo. pp. 570. 22s. 6d.

HOLYOAKE (G. J.). Sixty Years of an Agitator's Life. London: Unwin. 3d ed. 2 vols. Post 8vo. pp. 623. 7s.

—. Self-help by the People: The History of the Rochdale Pioneers, 1844-92. 10th ed., revised and enlarged. London: Sonnenschein. 8vo. pp. 190. 2s. 6d.

LASALLE (F.). Reden und Schriften. Neue Gesamt-Ausgabe im Auftrage des Vorstandes der sozialdemokratischen Partei. 3 (Schluss) Band. Berlin: "Vorwärts." 8vo. pp. 863. 3.50 m.

MARX (K.). Das Kapital. Band 2. 2 Auflage, herausg. von F. Engels. Hamburg: O. Meissner. 8vo. pp. 522. 8 m.

NICHOLSON (J. S.). A Treatise on Money, and Essays on Monetary Problems. 2d ed., revised and enlarged. London: Black. 8vo. pp. 426. 7s. 6d.

RODBERTUS-JAGETZOW. Zur Erklärung und Abhülfe der heutigen Creditnotth des Grundbesitzes. 2 Auflage, mit Vorwort von R. Meyer. Berlin: H. Bahr. 8vo. pp. 351. 9 m.

SCHÄFFLE (A.). The Theory and Policy of Labor Protection. Edited by A. C. Morant. London: Sonnenschein. 8vo. pp. 254. 2s. 6d.

SCHULZE-GAEVERTZ. Social Peace. Translated by C. M. Wicksteed, and edited by G. Wallas. London: Sonnenschein. 8vo. 3s. 6d.

SÜSS (E.). The Future of Silver. [Translated by R. Stein, and pub. by Sen. Com. of Finance.] Washington: Government Printing Office. 8vo. pp. 103.

XIV. NOT CLASSIFIED.

GROSSMAN (L.). Compendium der praktischen Volkswirtschaft und ihrer mathematischen Disciplinen. Eine Sammlung pop. wissensch. Essays über Versicherungen, Bank-, und Finanzwesen. Vienna: Publ. by the author. To appear in 6 parts. Part I. 8vo. pp. 80. 5 m.

REPORT OF COMMISSION appointed to investigate the Waste of Coal-mining. Philadelphia: Printed by Allen, Lane & Scott. 8vo. pp. 183.

ROHRSCHIEDT (K.). Die Polizeitaxen und ihre Stellung in der Gewerbeordnung, mit besonderer Rücksicht auf Brodtaxen und Ge-

wichtsbäckerei. Berlin: Heymann. 8vo. pp. 185. 2.40 m.

SCHÄFFLE (A. E. F.). Deutsche Kern- und Zeitfragen. Berlin: E. Hoffmann. 8vo. pp. 480. 10 m.

In Periodicals.

BERTOLINI (A.). Saggio di Bibliografia Economica Italiana (1870-90) [continued]. Giorn. degli Econ., Oct., Nov.

DILKE (Lady). The Industrial Position of Women. Fortnightly, Oct.

GARDNER (Percy). The Casuistry and Ethics of Investments. Econ. Rev., Oct.

APPENDIX.

PANIC OF 1893.

IMPORTS AND EXPORTS OF THE UNITED STATES FROM OCTOBER, 1891, TO OCTOBER, 1893.

		EXPORTS, Mdse.	IMPORTS, Mdse.	EXPORTS, Gold.	IMPORTS, Gold.	EXCESS EXPORTS, Gold.
1891	October	\$102,877,343	\$86,836,269	\$809,595	\$16,897,947	
	November	110,103,537	64,890,507	361,949	5,871,717	
	December	119,935,596	69,448,023	254,501	6,018,851	
1892	January	100,138,336	62,719,550	946,466	552,014	
	February	86,635,137	65,383,270	6,507,180	2,826,962	\$3,680,218
	March	81,829,702	66,570,533	6,309,556	5,064,406	3,225,550
	April	75,954,463	76,341,449	7,321,823	467,041	7,084,783
	May	69,703,479	68,696,171	3,584,223	561,159	3,263,063
	June	64,886,357	72,016,568	17,129,503	494,028	16,685,477
	July	58,401,758	65,670,021	10,782,638	542,440	10,240,186
	August	64,846,905	71,242,385	6,049,981	333,282	5,716,699
	September	63,908,483	67,466,063	3,627,663	1,303,536	2,324,127
	October	57,860,919	71,398,550	484,260	3,118,330	
	November	57,703,824	67,656,040	1,135,647	2,577,312	
	December	57,545,818	65,126,352	12,879,727	1,540,538	11,339,189
1893	January	67,673,659	75,168,267	12,584,396	370,843	12,213,558
	February	59,931,984	72,702,238	14,245,607	1,257,539	12,988,068
	March	68,516,571	86,663,524	8,113,428	6,606,437	1,464,991
	April	59,873,346	77,013,701	19,148,964	803,985	16,344,979
	May	68,955,348	75,955,224	16,914,317	1,708,557	15,205,700
	June	63,446,560	69,684,544	2,711,226	1,009,682	1,701,544
	July	69,113,397	63,186,067	174,212	5,960,613	
	August	73,683,731	58,644,220	949,503	41,572,031	
	September	72,027,048	46,502,587	1,436,363	6,678,945	
	October	87,688,016	51,769,234	511,018	1,583,937	

PRICES OF TWENTY-FOUR ACTIVE STOCKS IN NEW YORK, 1890-1893.

					MAY.	JUNE.	JULY.	AUGUST.	SEPT.	OCT.
Chicago, Burlington & Quincy, -	\$111	\$80	\$110	\$110	Highest in 1890.					
Chicago, Milwaukee & St. Paul, -	98	44	\$75	\$92	Lowest in Nov. or Dec., 1890.					
Chicago, Rock Island & Pacific, -	93	63	\$84	\$84	Highest in 1891.					
Chicago & North western, -	92	50	\$93	\$93	Lowest in 1891.					
Denver & Rio Grande, -	117	92	94	\$95	Highest in 1891.					
Northern Pacific, -	107	80	121	121	Lowest in 1892.					
Union Pacific, -	21	18	21	21	Highest in 1892.					
Lake Superior & Michigan Southern, -	39	14	26	26	Lowest in 1892.					
New York Central, -	68	40	52	52	Highest prior to May, 1893.					
New York, Lake Erie & Western, -	114	101	105	140	Highest.					
Central of New Jersey, -	111	96	98	117	Lowest.					
Delaware, Lackawanna & Western, -	128	97	106	122	Highest.					
Delaware & Hudson, -	129	128	145	145	Lowest.					
Philadelphia & Reading, -	175	120	168	167	Highest.					
Illinois Central, -	120	85	92	103	Lowest.					
Illinois & Michigan, -	66	65	65	83	Highest.					
Norfolk & Western Preferred, -	34	18	49	53	Lowest.					
American Cotton Oil, -	95	48	57	52	Highest.					
National Lead, -	24	14	21	21	Lowest.					
Tennessee Coal & Iron, -	225	413	51	52	Highest.					
Adams Express, -	156	150	155	155	Lowest.					
Western Union, -	71	76	85	85	Highest.					
	101	101	101	101	Lowest.					
	884	884	884	884	Highest.					
	514	514	514	514	Lowest.					
	714	714	714	714	Highest.					
	674	674	674	674	Lowest.					
	61	61	61	61	Highest.					
	724	724	724	724	Lowest.					
	64	64	64	64	Highest.					
	78	78	78	78	Lowest.					
	804	804	804	804	Highest.					
	803	803	803	803	Lowest.					

RATES FOR CALL LOANS.										RATES FOR TIME LOANS.									
	1892 N.Y.	1892 Boston.	1892 Chicago.	1892 N.Y.	1892 Boston.	1892 Chicago.	1892 N.Y.	1892 Boston.	1892 Chicago.	1892 N.Y.	1892 Boston.	1892 Chicago.	1892 N.Y.	1892 Boston.	1892 Chicago.	1892 N.Y.	1892 Boston.	1892 Chicago.	
WEEKS ENDING	1892 N.Y.	1892 Boston.	1892 Chicago.	1892 N.Y.	1892 Boston.	1892 Chicago.	1892 N.Y.	1892 Boston.	1892 Chicago.	1892 N.Y.	1892 Boston.	1892 Chicago.	1892 N.Y.	1892 Boston.	1892 Chicago.	1892 N.Y.	1892 Boston.	1892 Chicago.	
JAN.	6 13 " 20 " 27 " 34 " 41 " 48 " 55 " 62 " 69 " 76 " 83 " 90 " 97 " 104 " 111 " 118 " 125 " 132 " 139 " 146 " 153 " 160 " 167 " 174 " 181 " 188 " 195 " 202 " 209 " 216 " 223 " 230 " 237 " 244 " 251 " 258 " 265 " 272 " 279 " 286 " 293 " 300 " 307 " 314 " 321 " 328 " 335 " 342 " 349 " 356 " 363 " 370 " 377 " 384 " 391 " 398 " 405 " 412 " 419 " 426 " 433 " 440 " 447 " 454 " 461 " 468 " 475 " 482 " 489 " 496 " 503 " 510 " 517 " 524 " 531 " 538 " 545 " 552 " 559 " 566 " 573 " 580 " 587 " 594 " 601 " 608 " 615 " 622 " 629 " 636 " 643 " 650 " 657 " 664 " 671 " 678 " 685 " 692 " 699 " 706 " 713 " 720 " 727 " 734 " 741 " 748 " 755 " 762 " 769 " 776 " 783 " 790 " 797 " 804 " 811 " 818 " 825 " 832 " 839 " 846 " 853 " 860 " 867 " 874 " 881 " 888 " 895 " 902 " 909 " 916 " 923 " 930 " 937 " 944 " 951 " 958 " 965 " 972 " 979 " 986 " 993 " 1000 " 1007 " 1014 " 1021 " 1028 " 1035 " 1042 " 1049 " 1056 " 1063 " 1070 " 1077 " 1084 " 1091 " 1098 " 1105 " 1112 " 1119 " 1126 " 1133 " 1140 " 1147 " 1154 " 1161 " 1168 " 1175 " 1182 " 1189 " 1196 " 1203 " 1210 " 1217 " 1224 " 1231 " 1238 " 1245 " 1252 " 1259 " 1266 " 1273 " 1280 " 1287 " 1294 " 1301 " 1308 " 1315 " 1322 " 1329 " 1336 " 1343 " 1350 " 1357 " 1364 " 1371 " 1378 " 1385 " 1392 " 1399 " 1406 " 1413 " 1420 " 1427 " 1434 " 1441 " 1448 " 1455 " 1462 " 1469 " 1476 " 1483 " 1490 " 1497 " 1504 " 1511 " 1518 " 1525 " 1532 " 1539 " 1546 " 1553 " 1560 " 1567 " 1574 " 1581 " 1588 " 1595 " 1602 " 1609 " 1616 " 1623 " 1630 " 1637 " 1644 " 1651 " 1658 " 1665 " 1672 " 1679 " 1686 " 1693 " 1699 " 1706 " 1713 " 1720 " 1727 " 1734 " 1741 " 1748 " 1755 " 1762 " 1769 " 1776 " 1783 " 1790 " 1797 " 1804 " 1811 " 1818 " 1825 " 1832 " 1839 " 1846 " 1853 " 1860 " 1867 " 1874 " 1881 " 1888 " 1895 " 1902 " 1909 " 1916 " 1923 " 1930 " 1937 " 1944 " 1951 " 1958 " 1965 " 1972 " 1979 " 1986 " 1993 " 1999 " 2006 " 2013 " 2020 " 2027 " 2034 " 2041 " 2048 " 2055 " 2062 " 2069 " 2076 " 2083 " 2090 " 2097 " 2104 " 2111 " 2118 " 2125 " 2132 " 2139 " 2146 " 2153 " 2160 " 2167 " 2174 " 2181 " 2188 " 2195 " 2202 " 2209 " 2216 " 2223 " 2230 " 2237 " 2244 " 2251 " 2258 " 2265 " 2272 " 2279 " 2286 " 2293 " 2299 " 2306 " 2313 " 2320 " 2327 " 2334 " 2341 " 2348 " 2355 " 2362 " 2369 " 2376 " 2383 " 2390 " 2397 " 2404 " 2411 " 2418 " 2425 " 2432 " 2439 " 2446 " 2453 " 2460 " 2467 " 2474 " 2481 " 2488 " 2495 " 2502 " 2509 " 2516 " 2523 " 2530 " 2537 " 2544 " 2551 " 2558 " 2565 " 2572 " 2579 " 2586 " 2593 " 2599 " 2606 " 2613 " 2620 " 2627 " 2634 " 2641 " 2648 " 2655 " 2662 " 2669 " 2676 " 2683 " 2690 " 2697 " 2704 " 2711 " 2718 " 2725 " 2732 " 2739 " 2746 " 2753 " 2760 " 2767 " 2774 " 2781 " 2788 " 2795 " 2802 " 2809 " 2816 " 2823 " 2830 " 2837 " 2844 " 2851 " 2858 " 2865 " 2872 " 2879 " 2886 " 2893 " 2899 " 2906 " 2913 " 2920 " 2927 " 2934 " 2941 " 2948 " 2955 " 2962 " 2969 " 2976 " 2983 " 2990 " 2997 " 3004 " 3011 " 3018 " 3025 " 3032 " 3039 " 3046 " 3053 " 3060 " 3067 " 3074 " 3081 " 3088 " 3095 " 3102 " 3109 " 3116 " 3123 " 3130 " 3137 " 3144 " 3151 " 3158 " 3165 " 3172 " 3179 " 3186 " 3193 " 3199 " 3206 " 3213 " 3220 " 3227 " 3234 " 3241 " 3248 " 3255 " 3262 " 3269 " 3276 " 3283 " 3290 " 3297 " 3304 " 3311 " 3318 " 3325 " 3332 " 3339 " 3346 " 3353 " 3360 " 3367 " 3374 " 3381 " 3388 " 3395 " 3402 " 3409 " 3416 " 3423 " 3430 " 3437 " 3444 " 3451 " 3458 " 3465 " 3472 " 3479 " 3486 " 3493 " 3499 " 3506 " 3513 " 3520 " 3527 " 3534 " 3541 " 3548 " 3555 " 3562 " 3569 " 3576 " 3583 " 3590 " 3597 " 3604 " 3611 " 3618 " 3625 " 3632 " 3639 " 3646 " 3653 " 3660 " 3667 " 3674 " 3681 " 3688 " 3695 " 3699 " 3706 " 3713 " 3720 " 3727 " 3734 " 3741 " 3748 " 3755 " 3762 " 3769 " 3776 " 3783 " 3790 " 3797 " 3804 " 3811 " 3818 " 3825 " 3832 " 3839 " 3846 " 3853 " 3860 " 3867 " 3874 " 3881 " 3888 " 3895 " 3899 " 3906 " 3913 " 3920 " 3927 " 3934 " 3941 " 3948 " 3955 " 3962 " 3969 " 3976 " 3983 " 3990 " 3997 " 4004 " 4011 " 4018 " 4025 " 4032 " 4039 " 4046 " 4053 " 4060 " 4067 " 4074 " 4081 " 4088 " 4095 " 4099 " 4106 " 4113 " 4120 " 4127 " 4134 " 4141 " 4148 " 4155 " 4162 " 4169 " 4176 " 4183 " 4190 " 4197 " 4204 " 4211 " 4218 " 4225 " 4232 " 4239 " 4246 " 4253 " 4260 " 4267 " 4274 " 4281 " 4288 " 4295 " 4299 " 4306 " 4313 " 4320 " 4327 " 4334 " 4341 " 4348 " 4355 " 4362 " 4369 " 4376 " 4383 " 4390 " 4397 " 4404 " 4411 " 4418 " 4425 " 4432 " 4439 " 4446 " 4453 " 4460 " 4467 " 4474 " 4481 " 4488 " 4495 " 4499 " 4506 " 4513 " 4520 " 4527 " 4534 " 4541 " 4548 " 4555 " 4562 " 4569 " 4576 " 4583 " 4590 " 4597 " 4604 " 4611 " 4618 " 4625 " 4632 " 4639 " 4646 " 4653 " 4660 " 4667 " 4674 " 4681 " 4688 " 4695 " 4699 " 4706 " 4713 " 4720 " 4727 " 4734 " 4741 " 4748 " 4755 " 4762 " 4769 " 4776 " 4783 " 4790 " 4797 " 4804 " 4811 " 4818 " 4825 " 4832 " 4839 " 4846 " 4853 " 4860 " 4867 " 4874 " 4881 " 4888 " 4895 " 4899 " 4906 " 4913 " 4920 " 4927 " 4934 " 4941 " 4948 " 4955 " 4962 " 4969 " 4976 " 4983 " 4990 " 4997 " 5004 " 5011 " 5018 " 5025 " 5032 " 5039 " 5046 " 5053 " 5060 " 5067 " 5074 " 5081 " 5088 " 5095 " 5099 " 5106 " 5113 " 5120 " 5127 " 5134 " 5141 " 5148 " 5155 " 5162 " 5169 " 5176 " 5183 " 5190 " 5197 " 5204 " 5211 " 5218 " 5225 " 5232 " 5239 " 5246 " 5253 " 5260 " 5267 " 5274 " 5281 " 5288 " 5295 " 5299 " 5306 " 5313 " 5320 " 5327 " 5334 " 5341 " 5348 " 5355 " 5362 " 5369 " 5376 " 5383 " 5390 " 5397 " 5404 " 5411 " 5418 " 5425 " 5432 " 5439 " 5446 " 5453 " 5460 " 5467 " 5474 " 5481 " 5488 " 5495 " 5499 " 5506 " 5513 " 5520 " 5527 " 5534 " 5541 " 5548 " 5555 " 5562 " 5569 " 5576 " 5583 " 5590 " 5597 " 5604 " 5611 " 5618 " 5625 " 5632 " 5639 " 5646 " 5653 " 5660 " 5667 " 5674 " 5681 " 5688 " 5695 " 5699 " 5706 " 5713 " 5720 " 5727 " 5734 " 5741 " 5748 " 5755 " 5762 " 5769 " 5776 " 5783 " 5790 " 5797 " 5804 " 5811 " 5818 " 5825 " 5832 " 5839 " 5846 " 5853 " 5860 " 5867 " 5874 " 5881 " 5888 " 5895 " 5899 " 5906 " 5913 " 5920 " 5927 " 5934 " 5941 " 5948 " 5955 " 5962 " 5969 " 5976 " 5983 " 5990 " 5997 " 6004 " 6011 " 6018 " 6025 " 6032 " 6039 " 6046 " 6053 " 6060 " 6067 " 6074 " 6081 " 6088 " 6095 " 6099 " 6106 " 6113 " 6120 " 6127 " 6134 " 6141 " 6148 " 6155 " 6162 " 6169 " 6176 " 6183 " 6190 " 6197 " 6204 " 6211 " 6218 " 6225 " 6232 " 6239 " 6246 " 6253 " 6260 " 6267 " 6274 " 6281 " 6288 " 6295 " 6299 " 6306 " 6313 " 6320 " 6327 " 6334 " 6341 " 6348 " 6355 " 6362 " 6369 " 6376 " 6383 " 6390 " 6397 " 6404 " 6411 " 6418 " 6425 " 6432 " 6439 " 6446 " 6453 " 6460 " 6467 " 6474 " 6481 " 6488 " 6495 " 6499 " 6506 " 6513 " 6520 " 6527 " 6534 " 6541 " 6548 " 6555 " 6562 " 6569 " 6576 " 6583 " 6590 " 6597 " 6604 " 6611 " 6618 " 6625 " 6632 " 6639 " 6646 " 6653 " 6660 " 6667 " 6674 " 6681 " 6688 " 6695 " 6699 " 6706 " 6713 " 6720 " 6727 " 6734 " 6741 " 6748 " 6755 " 6762 " 6769 " 6776 " 6783 " 6790 " 6797 " 6804 " 6811 " 6818 " 6825 " 6832 " 6839 " 6846 " 6853 " 6860 " 6867 " 6874 " 6881 " 6888 " 6895 " 6899 " 6906 " 6913 " 6920 " 6927 " 6934 " 6941 " 6948 " 6955 " 6962 " 6969 " 6976 " 6983 " 6990 " 6997 " 7004 " 7011 " 7018 " 7025 " 7032 " 7039 " 7046 " 7053 " 7060 " 7067 " 7074 " 7081 " 7088 " 7095 " 7099 " 7106 " 7113 " 7120 " 7127 " 7134 " 7141 " 7148 " 7155 " 7162 " 7169 " 7176 " 7183 " 7190 " 7197 " 7204 " 7211 " 7218 " 7225 " 7232 " 7239 " 7246 " 7253 " 7260 " 7267 " 7274 " 7281 " 7288 " 7295 " 7299 " 7306 " 7313 " 7320 " 7327 " 7334 " 7341 " 7348 " 7355 " 7362 " 7369 " 7376 " 7383 " 7390 " 7397 " 7404 " 7411 " 7418 " 7425 " 7432 " 7439 " 7446 " 7453 " 7460 " 7467 " 7474 " 7481 " 7488 " 7495 " 7499 " 7506 " 7513 " 7520 " 7527 " 7534 " 7541 " 7548 " 7555 " 7562 " 7569 " 7576 " 7583 " 7590 " 7597 " 7604 " 7611 " 7618 " 7625 " 7632 " 7639 " 7646 " 7653 " 7660 " 7667 " 7674 " 7681 " 7688 " 7695 " 7699 " 7706 " 7713 " 7720 " 7727 " 7734 " 7741 " 7748 " 7755 " 7762 " 7769 " 7776 " 7783 " 7790 " 7797 " 7804 " 7811 " 7818 " 7825 " 7832 " 7839 " 7846 " 7853 " 7860 " 7867 " 7874 " 7881 " 7888 " 7895 " 7899 " 7906 " 7913 " 7920 " 7927 " 7934 " 7941 " 7948 " 7955 " 7962 " 7969 " 7976 " 7983 " 7990 " 7997 " 8004 " 8011 " 8018 " 8025 " 8032 " 8039 " 8046 " 8053 " 8060 " 8067 " 8074 " 8081 " 8088 " 8095 " 8099 " 8106 " 8113 " 8120 " 8127 " 8134 " 8141 " 8148 " 8155 " 8162 " 8169 " 8176 " 8183 " 8190 " 8197 " 8204 " 8211 " 8218 " 8225 " 8232 " 8239 " 8246 " 8253 " 8260 " 8267 " 8274 " 8281 " 8288 " 8295 " 8299 " 8306 " 8313 " 8320 " 8327 " 8334 " 8341 " 8348 " 8355 " 8362 " 8369 " 8376 " 8383 " 8390 " 8397 " 8404 " 8411 " 8418 " 8425 " 8432 " 8439 " 8446 " 8453 " 8460 " 8467 " 8474 " 8481 " 8488 " 8495 " 8499 " 8506 " 8513 " 8520 " 8527 " 8534 " 8541 " 8548 " 8555 " 8562 " 8569 " 8576 " 8583 " 8590 " 8597 " 8604 " 8611 " 8618 " 8625 " 8632 " 8639 " 8646 " 8653 " 8660 " 8667 " 8674 " 8681 " 8688 " 8695 " 8699 " 8706 " 8713 " 8720 " 8727 " 8734 " 8741 " 8748 " 8755 " 8762 " 8769 " 8776 " 8783 " 8790 " 8797 " 8804 " 8811 " 8818 " 8825 " 8832 " 8839 " 8846 " 8853 " 8860 " 8867 " 8874 " 8881 " 8888 " 8895 " 8899 " 8906 " 8913 " 8920 " 8927 " 8934 " 8941 " 8948 " 8955 " 8962 " 8969 " 8976 " 8983 " 8990 " 8997 " 9004 " 9011 " 9018 " 9025 " 9032 " 9039 " 9046 " 9053 " 9060 " 9067 " 9074 " 9081 " 9088 " 9095 " 9099 " 9106 " 9113 " 9120 " 9127 " 9134 " 9141 " 9148 " 9155 " 9162 " 9169 " 9176 " 9183 " 9190 " 9197 " 9204 " 9211 " 9218 " 9225 " 9232 " 9239 " 9246 " 9253 " 9260 " 9267 " 9274 " 9281 " 9288 " 9295 " 9299 " 9306 " 9313 " 9320 " 9327 " 9334 " 9341 " 9348 " 9355 " 9362 " 9369 " 9376 " 9383 " 9390 " 9397 " 9404 " 9411 " 9418 " 9425 " 9432 " 9439 " 9446 " 9453 " 9460 " 9467 " 9474 " 9481 " 9488 " 9495 " 9499 " 9506 " 9513 " 9520 " 9527 " 9534 " 9541 " 9548 " 9555 " 9562 " 9569 " 9576 " 9583 " 9590 " 9597 " 9604 " 9611 " 9618 " 9625 " 9632 " 9639 " 9646 " 9653 " 9660 " 9667 " 9674 " 9681 " 9688 " 9695 " 9699 " 9706 " 9713 " 9720 " 9727 " 9734 " 9741 " 9748 " 9755 " 9762 " 9769 " 9776 " 9783 " 9790 " 9797 " 9804 " 9811 " 9818 " 9825 " 9832 " 9839 " 9846 " 9853 " 98																		

CHIEF ITEMS NEW YORK WEEKLY BANK STATEMENT,
000'S OMITTED.WEEKLY BANK
CLEARINGS TOTALS.—
ALL CITIES.

WEEK ENDING	DEPOSITS.		LOANS.		RESERVES.		1893.	1892.
	1893.	1892.	1893.	1892.	1893.	1892.		
Jan. 7,	\$455,367	\$477,382	\$441,263	\$440,259	\$122,784	\$138,306	\$1,337,596,000	\$1,435,922,000
" 14,	462,870	486,302	439,875	445,853	131,328	146,174	1,370,308,000	1,409,180,000
" 21,	479,963	497,472	447,074	447,202	142,520	157,371	1,464,283,000	1,291,169,000
" 28,	488,779	509,514	455,179	453,582	145,338	163,399	1,373,829,000	1,208,579,000
Feb. 4,	495,475	515,376	464,910	460,653	142,523	162,285	1,391,099,000	1,319,874,000
" 11,	491,747	521,571	464,284	466,291	140,177	164,046	1,247,506,000	1,349,331,000
" 18,	483,013	531,261	462,518	476,571	134,509	163,673	1,252,252,000	1,389,212,000
" 25,	472,708	531,938	458,579	480,900	127,561	159,954	1,215,938,000	1,072,468,000
Mar. 4,	462,004	533,578	452,917	488,675	122,004	154,886	1,370,596,000	1,216,826,000
" 11,	447,209	531,976	444,775	492,934	116,445	149,190	1,301,830,000	1,261,826,000
" 18,	441,961	531,308	439,304	494,059	116,529	149,776	1,231,134,000	1,200,386,000
" 25,	439,504	530,120	434,468	490,435	119,119	150,547	1,227,224,000	1,149,555,000
April 1,	439,330	526,447	433,524	488,725	120,405	160,129	1,044,292,000	1,063,298,000
" 8,	438,598	523,066	434,204	490,875	118,887	147,853	1,198,742,000	1,241,390,000
" 15,	439,027	531,888	431,483	493,629	120,054	148,759	1,211,724,000	1,217,278,000
" 22,	440,794	533,993	438,998	491,926	124,961	183,031	1,242,015,000	1,043,193,000
" 29,	432,224	536,778	426,990	493,078	120,212	153,980	1,077,422,000	1,088,019,000
May 6,	433,974	536,824	425,728	493,588	121,326	147,764	1,378,638,000	1,280,683,000
" 13,	434,865	530,736	420,827	492,053	126,511	148,456	1,370,582,000	1,231,297,000
" 20,	438,683	534,495	416,961	490,946	134,093	153,179	1,221,547,000	1,232,899,000
" 27,	436,724	536,100	415,901	488,813	134,621	158,637	1,043,014,000	1,146,805,000
June 3,	431,411	542,061	416,690	492,701	128,240	159,195	898,408,000	1,019,465,000
" 10,	418,925	542,083	414,400	493,669	119,152	159,066	1,156,384,000	1,184,086,000
" 17,	406,536	543,663	410,700	496,564	110,410	188,699	1,031,364,000	1,138,301,000
" 24,	398,064	508,488	405,986	492,230	104,998	154,494	1,083,339,000	1,104,223,000
July 1,	397,978	534,606	413,650	494,464	100,746	151,738	956,591,000	1,031,685,000
" 8,	398,679	530,730	418,685	492,187	94,587	148,269	1,051,402,000	1,140,801,000
" 15,	394,174	523,863	413,499	482,586	94,274	161,172	1,000,390,000	1,140,356,000
" 22,	390,476	524,047	409,191	480,378	96,363	164,075	976,445,000	1,082,306,000
" 29,	382,177	529,104	406,486	484,933	91,242	166,507	887,988,000	991,715,000
Aug. 5,	372,945	528,463	405,717	486,777	79,218	160,914	973,880,000	1,078,137,000
" 12,	372,203	523,231	411,795	489,771	76,505	147,082	799,718,000	1,000,022,000
" 19,	370,302	524,412	416,540	492,054	80,528	143,481	732,542,000	1,009,774,000
" 26,	370,479	517,081	403,607	490,667	85,882	139,158	677,670,000	1,008,610,000
Sept. 3,	374,010	509,005	400,169	487,101	91,935	134,881	651,152,000	965,101,000
" 10,	373,787	506,128	396,965	482,120	96,413	129,814	734,126,000	1,128,238,000
" 16,	377,273	491,836	392,880	475,311	104,920	127,838	792,853,000	1,111,001,000
" 23,	368,447	480,522	392,145	466,657	113,596	125,181	801,242,000	1,191,409,000
" 30,	360,980	476,596	392,494	464,905	121,885	122,542	772,068,000	1,057,541,000
Oct. 7,	400,185	472,419	393,141	463,296	126,677	120,041	900,846,000	1,303,352,000
" 14,	412,456	468,183	395,716	459,528	127,010	117,584	903,810,000	1,181,642,000
" 21,	421,686	460,885	394,039	452,333	148,062	117,583	934,566,000	1,374,420,000
" 28,	433,261	457,060	397,124	449,113	157,104	118,156	926,141,000	1,174,515,000

* Plus a commission of a fraction of 1 per cent. per item, according to the pressure of demand.

COMPARISONS OF PRICES OF LEADING FOOD AND OTHER STAPLE PRODUCTS AT NEW YORK CITY (INCLUDING BAY SILVER),
EACH WEEK, JANUARY 1 TO NOVEMBER 1, 1893, AND 1892.

WEEK ENDING	FLOUR, Straight Spc.	WHEAT, No. 2 Red.		COTTON.		PAINT CLOTHS.		WOOL, Ohio.		PORK, Meat.		LAND, Western.		BUTTER, Cream.		CHEESE.		SUGAR, Granulated.		COFFEE, RIO.		IRON. Pig.		B. SILVER.	
		1893.	1892.	1893.	1892.	1893.	1892.	1893.	1892.	1893.	1892.	1893.	1892.	1893.	1892.	1893.	1892.	1893.	1892.	1893.	1892.	1893.	1892.	1893.	1892.
JAN.	\$8.50	\$8.70	\$9.00	\$8.62	\$8.00	\$9.04	\$8.63	\$9.00	\$8.28	\$17.00	\$11.00	\$8.67	\$8.26	\$8.23	\$8.10	\$8.10	\$8.10	\$8.04	\$8.17	\$8.04	\$8.13	\$15.00	\$16.70	\$8.82	\$8.95
14	13.	20.	3.50	4.50	1.25	7.93	9.03	1.25	2.25	9.75	11.20	6.35	.27	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.85	.93
21	14.	27.	3.50	4.50	1.02	7.93	9.03	1.02	2.25	9.75	11.20	6.70	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
Feb.	15.	10.	3.50	4.50	.80	7.93	9.03	.80	2.00	9.75	11.20	6.82	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
22	16.	11.	3.50	4.50	.68	7.93	9.03	.68	2.00	9.75	11.20	6.75	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
29	17.	12.	3.50	4.50	.56	7.93	9.03	.56	2.00	9.75	11.20	6.60	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
Mar.	18.	13.	3.50	4.50	.44	7.93	9.03	.44	2.00	9.75	11.20	6.45	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
25	19.	14.	3.50	4.50	.32	7.93	9.03	.32	2.00	9.75	11.20	6.30	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
32	20.	15.	3.50	4.50	.20	7.93	9.03	.20	2.00	9.75	11.20	6.15	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
Apr.	1.	21.	3.50	4.50	.08	7.93	9.03	.08	2.00	9.75	11.20	5.90	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
8.	2.	22.	3.50	4.50	.96	7.93	9.03	.96	2.00	9.75	11.20	5.75	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
15.	9.	23.	3.50	4.50	.84	7.93	9.03	.84	2.00	9.75	11.20	5.60	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
22.	10.	24.	3.50	4.50	.72	7.93	9.03	.72	2.00	9.75	11.20	5.45	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
29.	11.	25.	3.50	4.50	.60	7.93	9.03	.60	2.00	9.75	11.20	5.30	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
May.	1.	30.	3.50	4.50	.48	7.93	9.03	.48	2.00	9.75	11.20	5.15	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
8.	2.	31.	3.50	4.50	.36	7.93	9.03	.36	2.00	9.75	11.20	4.90	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
15.	9.	1.	3.50	4.50	.24	7.93	9.03	.24	2.00	9.75	11.20	4.75	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
22.	16.	10.	3.50	4.50	.12	7.93	9.03	.12	2.00	9.75	11.20	4.60	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
29.	17.	11.	3.50	4.50	.00	7.93	9.03	.00	2.00	9.75	11.20	4.45	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
May.	1.	24.	3.50	4.50	.75	7.93	9.03	.75	2.00	9.75	11.20	4.30	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
8.	2.	31.	3.50	4.50	.63	7.93	9.03	.63	2.00	9.75	11.20	4.15	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
15.	9.	1.	3.50	4.50	.51	7.93	9.03	.51	2.00	9.75	11.20	4.00	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
22.	16.	10.	3.50	4.50	.39	7.93	9.03	.39	2.00	9.75	11.20	3.85	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
29.	17.	11.	3.50	4.50	.27	7.93	9.03	.27	2.00	9.75	11.20	3.70	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
May.	1.	24.	3.50	4.50	.15	7.93	9.03	.15	2.00	9.75	11.20	3.55	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
8.	2.	31.	3.50	4.50	.03	7.93	9.03	.03	2.00	9.75	11.20	3.40	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
15.	9.	1.	3.50	4.50	.81	7.93	9.03	.81	2.00	9.75	11.20	3.25	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
22.	16.	10.	3.50	4.50	.69	7.93	9.03	.69	2.00	9.75	11.20	3.10	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
29.	17.	11.	3.50	4.50	.57	7.93	9.03	.57	2.00	9.75	11.20	2.95	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
May.	1.	24.	3.50	4.50	.45	7.93	9.03	.45	2.00	9.75	11.20	2.80	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
8.	2.	31.	3.50	4.50	.33	7.93	9.03	.33	2.00	9.75	11.20	2.65	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
15.	9.	1.	3.50	4.50	.21	7.93	9.03	.21	2.00	9.75	11.20	2.50	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
22.	16.	10.	3.50	4.50	.09	7.93	9.03	.09	2.00	9.75	11.20	2.35	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
29.	17.	11.	3.50	4.50	.87	7.93	9.03	.87	2.00	9.75	11.20	2.20	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
May.	1.	24.	3.50	4.50	.75	7.93	9.03	.75	2.00	9.75	11.20	2.05	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
8.	2.	31.	3.50	4.50	.63	7.93	9.03	.63	2.00	9.75	11.20	1.90	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
15.	9.	1.	3.50	4.50	.51	7.93	9.03	.51	2.00	9.75	11.20	1.75	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
22.	16.	10.	3.50	4.50	.39	7.93	9.03	.39	2.00	9.75	11.20	1.60	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
29.	17.	11.	3.50	4.50	.27	7.93	9.03	.27	2.00	9.75	11.20	1.45	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
May.	1.	24.	3.50	4.50	.15	7.93	9.03	.15	2.00	9.75	11.20	1.30	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
8.	2.	31.	3.50	4.50	.03	7.93	9.03	.03	2.00	9.75	11.20	1.15	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
15.	9.	1.	3.50	4.50	.81	7.93	9.03	.81	2.00	9.75	11.20	1.00	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
22.	16.	10.	3.50	4.50	.69	7.93	9.03	.69	2.00	9.75	11.20	.85	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
29.	17.	11.	3.50	4.50	.57	7.93	9.03	.57	2.00	9.75	11.20	.70	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
May.	1.	24.	3.50	4.50	.45	7.93	9.03	.45	2.00	9.75	11.20	.55	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
8.	2.	31.	3.50	4.50	.33	7.93	9.03	.33	2.00	9.75	11.20	.40	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
15.	9.	1.	3.50	4.50	.21	7.93	9.03	.21	2.00	9.75	11.20	.25	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
22.	16.	10.	3.50	4.50	.09	7.93	9.03	.09	2.00	9.75	11.20	.10	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
29.	17.	11.	3.50	4.50	.87	7.93	9.03	.87	2.00	9.75	11.20	.05	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
May.	1.	24.	3.50	4.50	.75	7.93	9.03	.75	2.00	9.75	11.20	.00	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
8.	2.	31.	3.50	4.50	.63	7.93	9.03	.63	2.00	9.75	11.20	.00	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
15.	9.	1.	3.50	4.50	.51	7.93	9.03	.51	2.00	9.75	11.20	.00	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
22.	16.	10.	3.50	4.50	.39	7.93	9.03	.39	2.00	9.75	11.20	.00	.26	.25	.25	.16	.16	.16	.16	.15	.15	14.75	16.00	.84	.91
29.	17.	11.	3.50	4.50	.27																				

THE NUMBER OF THE UNEMPLOYED

The following table prepared to accompany the article on page 168 shows in the first column the estimates of the numbers of the unemployed which the writer, relying often on the judgment of a single correspondent, but in the case of the larger cities taking into account the several statements received, is disposed to adopt. The second column shows the estimates telegraphed December 22 to *Bradstreet's* from correspondents in the same cities. The third column shows *Bradstreet's* estimates from certain cities from which the writer of this article has received no numerical statement.

		<i>Bradstreet's.</i>			<i>Bradstreet's</i>
MASSACHUSETTS.					
Boston,	38,000	30,000	Taunton,		1,500
Brockton,	1,000		Fall River,		500
			Springfield,		600
			Lowell,		3,000
			Pittsfield,		1,600
CONNECTICUT.					
New Haven,	5,000	5,000	Danbury,		4,000
			Norwich,		2,000
			Hartford,		3,000
RHODE ISLAND.					
Providence and suburbs, 10,000		10,000			
Pawtucket,	1,000				
MAINE.					
			Lewiston,		1,000
			Auburn,		700
NEW HAMPSHIRE.					
			Manchester,		500
VERMONT.					
			Burlington,		800
NEW YORK.					
New York,	85,000	80,000	Brooklyn,		35,000
Rochester,	10,000	5,500	Buffalo,		15,000
Newburg,	1,000		Albany,		11,000
Kingston,	800		Troy,		25,000
Oswego,	250		Syracuse,		10,200
Utica,	8,000	3,000	Binghamton,		3,600

		<i>Bradstreet's.</i>		<i>Bradstreet's.</i>
NEW JERSEY.				
Newark,	15,000	12,000	Paterson,	10,600
Elizabeth,	2,000	2,000	Passaic,	2,650
			Trenton,	2,000
PENNSYLVANIA.				
Philadelphia,	50,000	62,500	York,	1,500
Pittsburg,	16,000	75,000	Lancaster,	2,000
Allegheny,	6,000		Harrisburg,	2,500
Reading,	5,000	1,500	Allentown,	700
McKeesport,	6,000		Bethlehem,	2,000
Pottsville,	2,000		Shamokin,	1,400
MARYLAND.				
Baltimore,	10,000	20,000		
VIRGINIA.				
			Richmond,	1,500
			Norfolk,	1,600
			Lynchburg,	500
WEST VIRGINIA.				
Wheeling,	3,000			
OHIO.				
Cincinnati,	7,000	6,000	Springfield,	1,500
Cleveland,	15,000	25,000	Toledo,	4,000
Columbus,	4,000	3,000		
Dayton,	1,000	5,500		
Zanesville,	1,000			
INDIANA.				
Indianapolis,	5,000	5,000	Evansville,	5,000
Terre Haute,	2,200	1,450	Fort Wayne,	1,000
ILLINOIS.				
Chicago,	100,000	65,000	Aurora,	1,100
Joliet,	5,000	4,000		
MICHIGAN.				
Detroit,	25,000	75,000	Grand Rapids,	5,000
Muskegon,	1,000			
WISCONSIN.				
Milwaukee,	18,000	16,000	Superior,	1,000
MINNESOTA.				
Minneapolis,	6,000	3,500		
St. Paul,	3,200	3,000		
Duluth,	2,000	1,500		
KENTUCKY.				
Covington,	2,000		Louisville,	16,000

		<i>Bradstreet's.</i>		<i>Bradstreet's.</i>
000	TENNESSEE.			
300	Chattanooga,	300		
550	Nashville,	1,000	2,000	
000	Memphis,	1,000	1,500	
000	SOUTH CAROLINA.			
000	Spartanburg,	80		Charleston,
000				500
000	GEORGIA.			
000	Atlanta,	1,800	3,000	Savannah,
000				3,000
000	FLORIDA.			
000	Jacksonville,	700		
000	ALABAMA.			
000	Birmingham,	1,000	3,000	
000	MISSISSIPPI.			
000	Vicksburg,	1,000		
000	LOUISIANA.			
000				New Orleans,
000	TEXAS.			240
000				Fort Worth,
000				125
000				Galveston,
000				1,600
000				Dallas,
000				1,500
000	ARKANSAS.			
000	Little Rock,	1,000	1,000	
000	MISSOURI.			
000	St. Louis,	20,000	30,000	Kansas City,
000	St. Joseph,	2,300	2,500	1,500
000	NEBRASKA.			
000	Omaha,	2,000	700	Lincoln,
000				2,800
000	IOWA.			
000				Burlington,
000				1,000
000	KANSAS.			
000	Atchison,	100		
000	OKLAHOMA.			
000	Guthrie,	300		
000	NORTH DAKOTA.			
000	Bismarck,	300		
000	SOUTH DAKOTA.			
000	Sioux Falls,	50		
000	MONTANA.			
000	Butte City,	4,000		Helena,
000	Great Falls,	200		7,000

	<i>Bradstreet's.</i>	<i>Bradstreet's.</i>
COLORADO.		
Denver,	3,000	1,000
CALIFORNIA.		
San Francisco, . . .	8,000	7,000
Sacramento,	300	200
OREGON.		
	Portland,	1,500
WASHINGTON.		
Tacoma,	1,500	2,500
Spokane,	700	1,100
	<hr/> 523,080	<hr/> 581,950
		<hr/> 195,215

Taking the 38 cities for which estimates are given both by *Bradstreet's* and by the writer, the total number out of employment is, according to *Bradstreet's* estimates, 581,950; according to the writer's estimates, 491,000.